



President Reagan and other U.S. officials met Monday at the White House with an Israeli delegation led by Foreign Minister Yitzhak Shamir. Seated, from left, were Secretary of State George P. Shultz; Mr. Reagan; Vice President Bush (partly

hidden); William P. Clark, the national security adviser; and Edwin Meese 3d, the presidential counselor. Israeli officials, seated from right, were Mr. Shamir, Ambassador Moshe Arens, and Jacob Lechman, an Israeli Embassy minister.

Rebel Remnants in Kenya Continue Resistance at Air Force Headquarters

Compiled by Our Staff From Dispatches
NAIROBI — Holdouts from among the rebels who failed in an attempt to overthrow the civilian government were resisting loyal Kenyan troops Monday at the air force headquarters south of here.

An official source said 300 dissidents, nearly all air force personnel, had been arrested in the Nairobi area. The newspaper The Nation quoted police and army spokesmen as having said that more than 1,000 people had been arrested in connection with the coup.

Ninety bodies, including both civilians and military personnel, had been brought to the Nairobi morgue, the superintendent said. A government official said 71 air force men had been killed, 30 of them at the Eastleigh headquarters, which is four miles (six kilometers) from the capital.

Hospital officials reported that more than 500 people — mainly civilians — were treated for gunshot wounds Sunday. About 200 of them received serious injuries, said a doctor at Kenyatta Memorial Hospital. That hospital, near the scene of heavy fighting, handled most of the patients.

Cabinet Meeting
It was Kenya's first coup attempt since the East African country received independence from Britain 19 years ago.

The official Kenya Radio announced Monday that the army has extended by 24 hours the deadline for the rebels to surrender, to noon Tuesday.

President Daniel Arap Moi and his Cabinet met Monday and decided that a 13-hour overnight curfew for Nairobi and the Nanyuki district, about 120 miles to the north, would continue until further notice.

The government also announced the closure of the University of Nairobi and ordered students to return to their home areas. Some students demonstrated in the streets in support of the rebels Sunday.

Domestic and international communications, which had been disrupted during the rebellion, were restored Monday afternoon.

Large parts of central Nairobi were almost deserted, with shops and offices closed. Passers-by held up their hands and identity papers to avoid being mistaken for looters or rebels.

Firing Near Hotel
There was fierce shooting early Monday around the Hilton Hotel when rebels, who had apparently spent the night in a neighboring building, fired on security forces. The hotel management said that a Japanese tourist had been killed during the clash from his hotel window.

Many of the Hilton's 350 guests were terrorized Sunday by rebels with automatic rifles who invaded the hotel and by looters who ransacked ground-floor shops. The management said that a young woman from the United States had been raped and that three members of the hotel staff had been shot and wounded.

Diplomatic sources said the rebels appear to have included junior air force officers and that there was only scant organization in both the planning and execution of their coup. No vehicle heavier than a Land Rover was used, and although U.S.-made F-5 jets made passes over Nairobi, none took part in the action.

Kenya's Air Force in 1981 had 2,000 men and 20 combat aircraft, according to the International Institute for Strategic Studies in London. It was not immediately clear (Continued on Page 2, Col. 4)

Britain Orders Firms To Ignore U.S. Curbs

Compiled by Our Staff From Dispatches
LONDON — Trade Secretary Lord Cockfield announced Monday that he has told four British companies to ignore the "reputant" U.S. ban on the supply of American-designed equipment for the Soviet gas pipeline.

Britain thus joined France in openly defying President Reagan's embargo, announced June 18 because of Soviet support for martial law in Poland.

"The embargo and the terms in which it has been imposed is an attempt to interfere with existing contracts and is an unacceptable extension of American extrajurisdictional jurisdiction in a way which is repugnant to international law," Lord Cockfield told the House of Lords.

Meanwhile, in Brussels, it was learned that a report drawn up by European Economic Community energy experts criticizes the U.S. sanctions as largely ineffective and counterproductive.

The confidential report, written by officials at the European Commission and forwarded to the 10 community governments, says the ban is damaging to Western Europe and will not stop the flow of Soviet natural gas.

New Efforts Predicted
Instead, the report says, the boycott will encourage Moscow "to increase its already considerable efforts and achievements in energy technology independence."

EEC governments have said the ban on sales of European-made but U.S.-licensed equipment for the pipeline violates international law. The governments have already lodged a strong protest with Washington.

A group of EEC legal and trade experts is to meet in Brussels on Tuesday to complete a more-detailed critique of the ban. That response is to be delivered to the Reagan administration later this month.

Lord Cockfield said the government had decided to invoke the 1980 Protection of Trading Interests Act because the Reagan administration had not responded to British efforts to resolve the dispute.

The trade secretary said the government had no wish to intensify the problem, but by invoking the act the government hoped to make Washington think again about the issue.

About 12 British companies have pipeline-related contracts, with a total value of around £220 million (\$385 million), and the government is clearly concerned about the effect on jobs of any cancellations at a time when unemployment is a record 13.5 percent.

The four companies included three subsidiaries of American firms.

The Scottish firm of John Brown Engineering said it would begin deliveries of its first six gas turbines for the project at the end of August.

The other three companies ordered to go ahead under contracts signed before the ban was imposed were Smith International (North Sea), Baker Oil Tools (U.K.) and AAF Ltd., Lord Cockfield said.

Legal sources said the fact that the latter three are subsidiaries of American companies operating in Britain could cause a complex legal battle over which country has jurisdiction over the firms.

Companies in France, Italy, Britain and West Germany have contracted to build the turbines under license from the American firm General Electric Co.

In Frankfurt, a spokesman for AEG-Telefunken, one of the firms under contract to the Soviet Union, said Monday that the firm has ready for shipment some of the 47 gas turbines it had agreed to build for the pipeline but that a final decision on delivery has not been made.

The spokesman said the decision on delivery is being delayed until the results of Chancellor Helmut Schmidt's recent talks with U.S. leaders are learned.

In Bonn, the magazine Der Spiegel said Monday that Soviet officials and European businessmen believe they have found a loophole allowing them to get around the embargo.

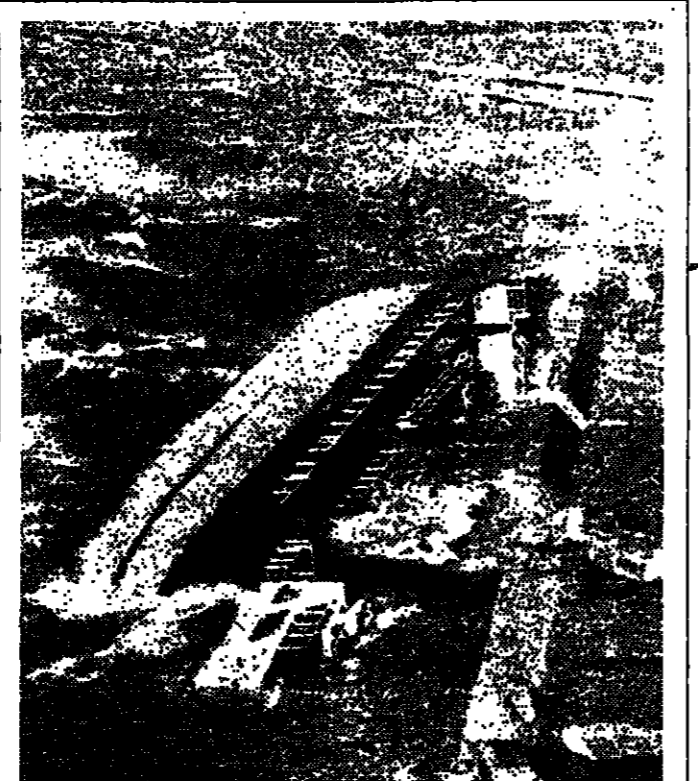
The Russians offered a compromise deal to Heinz Dürr, the chairman of AEG-Telefunken, when he visited Moscow in early July, Der Spiegel said.

Moscow offered Mr. Dürr a deal that would enable a subsidiary, AEG-Kanis, and firms from the other European nations to deliver American-made equipment or equipment made under U.S. license from stocks in hand before Mr. Reagan's expanded embargo took effect July 1, Der Spiegel said.

It said General Electric had delivered 25 of the rotors needed for the 125 turbines on the pipeline before Mr. Reagan extended his sanctions.

The Russians wanted the West European firms to deliver as many turbines as possible with the U.S.-made rotors, Der Spiegel said. The magazine added that the Russians had told Mr. Dürr they would use these turbines, made of a high-quality steel that can withstand very low temperatures, for the north Siberian sector of the pipeline.

Soviet turbines could be used along the rest of the pipeline, it said.



JAPAN'S STORM — The tanker Nippon Maru on its side at the Yokohama breakwater Monday after the latest typhoon to hit Japan left at least 59 dead and 25,000 homeless. It was the second typhoon to strike the nation in 10 days.

Thousands Are Delayed By British Ferry Strike

Reuters
LONDON — Thousands of travelers faced delays and confusion Monday after British seamen operating the 41 ships of the state-owned Sealink ferry firm struck at the height of the holiday season.

The strike stranded 11,000 tourists on the Channel Islands, according to a spokesman for the local tourist industry. The British islands off the French coast were worst hit because they are served exclusively by Sealink vessels.

Passengers and freight trucks at cross-Channel ports such as Dover and Folkestone were being routed to French, Dutch and Belgian vessels or to British-owned rival shipping lines. Some experienced delays of up to two hours.

Passengers on Sealink services to Ireland were expected to switch to Irish vessels.

The National Union of Seamen is resisting a move by Sealink to save £1.3 million (\$2.26 million) a year on its money-losing service between Harwich and the Hook of Holland. The seamen say the economies would mean a 24 percent in wage cut.

The government arbitration service said it was getting in touch with both sides to try to resolve the dispute.

The union said it expected a total stoppage by the 4,000 Sealink men at 10 ports. Officials warned they might seek to spread the strike to other British-owned shipping lines.

The strike hit Channel ports at their busiest time of the year, when thousands of Britons cross to the Continent, many taking their cars.

But Sealink advised travelers to turn up at ports as planned.

An official said, "We hope to get everybody away even if there are a few delays."

At Britain's main Channel port, Dover, where 60 percent of sailings are operated by ferry companies other than Sealink, there was no sign Monday morning of exceptionally long lines or frustrated passengers as the 9 a.m. strike deadline passed.

Folkestone port, where nearly all sailings are by Sealink, was almost at a standstill.

Sealink operates a consortium on Channel services with French, Dutch and Belgian operators.

The company also has an emergency arrangement with British-owned rivals Townsend Thoresen and P&O under which they would accept Sealink tickets.

Reagan Tells Israel's Shamir Beirut Fighting Must Stop

The Associated Press

WASHINGTON — President Reagan met Monday with Israel's foreign minister, Yitzhak Shamir, and stressed to him the need for a "complete end" to the fighting in West Beirut. The president said the world "can no longer accept a situation of constantly escalating violence."

But Mr. Shamir told reporters after the 20-minute session that Israel believes that Palestinian forces will not leave Beirut or Lebanon "unless they are convinced they have one choice before them: to leave by negotiations or by other means."

Both men appeared grim-faced during a picture-taking session before their meeting.

On Sunday, Mr. Reagan vowed that he would be "firm" with Mr. Shamir. Mr. Reagan told reporters that he had lost patience and said it was "absolutely imperative" that the U.S.-arranged cease-fire reached earlier in the day "not be violated by anyone."

[Tass said that Leonid I. Brezhnev, the Soviet leader, had sent a personal message to Mr. Reagan calling for urgent action to prevent what he called "the continuing annihilation of people in Beirut" by Israeli troops. The Washington Post reported from Moscow.

It was the second time in less than a month that Mr. Brezhnev has appealed directly to Mr. Reagan over Lebanon. But like the earlier message, the latest appeal was vaguely worded and contained no hint of Soviet countermeasures should the fighting in Beirut continue.

[Western diplomats in Moscow speculated that the main purpose of Mr. Brezhnev's well-publicized messages was to establish a legitimate Soviet concern about developments in the Middle East and win propaganda points. The Post reported.]



A Palestinian fighter watched from a West Beirut rooftop Monday as fires burned in the city.

U.S. Should Talk With PLO, Define Camp David, Egyptian Official Says

By Joseph Fitchett

International Herald Tribune

PARIS — Egypt has detected slight movement in the Reagan administration toward Arab views about the Lebanon crisis, but believes the United States should be "more forthcoming" about the Palestinians and start a dialogue with the Palestine Liberation Organization if it wants to stabilize the Middle East, Foreign Minister Kamal Hassan Ali, of Egypt said here Monday.

With Israel pressing for a showdown, he said Egypt hopes the United States will impose a strict cease-fire in Beirut — monitored by United Nations observers — to gain more time for political evolution in Washington and in the Middle East.

In the longer run, Egypt is pressing the United States to announce its interpretation of the Camp David peace accords. Egypt believes that the United States should state that it understands the ultimate goal of the peace process is Palestinian self-determination, contradicting Israel's interpretation of Palestinian autonomy as limited local self-rule.

"We have to give some hope to the Palestinians as they leave Beirut, otherwise their dispersal throughout the Arab world will spread terrorism and political problems," Mr. Ali said.

Mr. Ali, who is meeting with President François Mitterrand, outlined the main points contained in a message he delivered over the weekend to President Reagan from President Hosni Mubarak of Egypt. He also met with U.S. Secretary of State George P. Shultz.

Egypt, which has become along with Israel and Saudi Arabia the major U.S. allies in the Middle East, has criticized the PLO in recent years while being ostracized by other Arab governments. The Lebanese crisis has given Egypt a renewed opening to play a leading role in Arab diplomacy.

which could help open the way to U.S.-PLO discussions.

Egypt and France are delaying submission of the draft because, Mr. Ali said, "it will take time before the United States is interested in a dialogue with the PLO." At present, indications are that the United States would veto such a resolution, but Egypt and France are receptive to changes.

In Washington, Mr. Ali pressed the Reagan administration to extend political inducements to the PLO quickly in conjunction with its withdrawal from Lebanon — which he said remains the top U.S. priority.

Outlining U.S. thinking, Mr. Ali said the Reagan administration wants to:

- Defuse the situation in Beirut; this means the departure of PLO forces.
- Solve the Lebanese problem.
- Delve into the Palestinian problem, seeking a settlement in the framework of the Camp David accords.

According to Mr. Ali, this represents a slight change from the U.S. position conveyed in June when he met with then-Secretary of State Alexander M. Haig Jr.

U.S. policy at that time, Mr. Ali said (Continued on Page 2, Col. 6)

Israel Moves Tank Reinforcements Into Beirut; Shellfire Exchanged

Compiled by Our Staff From Dispatches

BEIRUT — Israeli forces moved tank reinforcements into central Beirut on Monday and traded shellfire from forward positions around the newly captured airport with the shrinking enclave of Yasser Arafat's Palestine Liberation Organization.

Philip C. Habib, the U.S. presidential envoy, conferred for two hours Monday with President Elias Sarkis of Lebanon in the hilltop presidential palace in suburban Baabda, five miles (eight kilometers) east of Beirut.

But there was no word of any progress in diplomatic efforts to arrange a peaceful evacuation of the PLO's besieged guerrillas from West Beirut.

On Sunday, Mr. Habib negotiated another cease-fire, the ninth since Israel invaded Lebanon on June 6.

Israel's military command said the PLO was the first to violate the cease-fire, shooting at Israeli troops with small arms near Beirut's airport. A spokesman said that Israeli forces held their fire for several hours before responding with rifles and mortars.

The PLO charged that Israeli tanks and cannons fired shells into a battered refugee camp near the airport. Israel denied it was using artillery.

Before the cease-fire was in place, Israeli tanks pushed into PLO territory in West Beirut for the first time since the siege of the city began. They moved north almost two miles, capturing the terminal area at the airport.

Bessam Abu Sharif, a PLO spokesman, said the Israelis rained more than 150,000 shells on West Beirut, but there was no way to confirm that figure. Israeli jets made 210 bombing runs on the city, according to Lebanese police.

"We expect the death toll to climb because rescue teams had to wait for first light to begin searching for victims we believe are still buried in the rubble."

A Syrian military spokesman in Damascus said two Syrian soldiers were killed and four wounded.

Syria has had a 30,000-strong force in Lebanon under a 1976 Arab League mandate but many of its troops are believed to have withdrawn since the Israeli invasion.

West Beirut was without electricity for the ninth day Monday and water was in short supply.

Israel's military spokesman in

INSIDE

■ The "reputant" ban on the supply of U.S.-designed equipment for the Soviet gas pipeline should be ignored, British Trade Secretary Lord Cockfield told four British companies. Britain thus joined France in defying President Reagan's embargo. Page 2.

■ Gramm's F-14 Tomcat has evidently been chosen by Pentagon officials as the Navy's premier fighter but the choice of an attack bomber has been left open. The Pentagon's action is expected to shape U.S. naval aviation for the rest of the century. Page 3.

■ On arms spending, a new Pentagon report to Congress shows that the United States continues to spend more money for military power than all of the nation's European allies and Japan together. "In the final analysis," the study says, "the United States appears to be doing somewhat more than its fair share of the NATO and Japanese total." Page 3.

■ The Dow jumped 13.51 points in an afternoon rally on the New York Stock exchange. Most major U.S. banks cut their prime rate to 15 percent, fueling the rise. Page 7.

Baabda warned civilians Monday to leave West Beirut, "before it is too late," Beirut radio reported.

The spokesman said the capture of the airport gave Israeli military advantages in its drive to force the 6,000 to 8,000 Palestinian fighters out of the city.

"The PLO may not want to leave, but we have appropriate means to make them go," he said, according to the radio.

The PLO stated its readiness to leave Beirut in a document signed with other Arab states in Jeddah last week, but Israeli officials have said they doubt its commitment.

Israel appeared reluctant Monday to accept a UN plan for sending cease-fire observers to Beirut and put off a decision until late this week.

Foreign Ministry officials said they did not want to get bogged down on secondary issues that might hold up negotiations on the evacuation of the guerrillas.

The Cabinet will not discuss the UN plan until Foreign Minister Yitzhak Shamir returns from talks in Washington, one official said.

UN Plan Thwarted
Israel's action effectively destroyed UN Security Council hopes of rushing in a team of observers to monitor the shaky cease-fire, Western diplomats said.

They said the UN was not empowered to send observers unless they gained the cooperation of all parties to the fighting.

Lebanese and Palestinian military leaders are due to start work on a timetable for the guerrilla withdrawal and guarantees that the PLO is demanding for its fighters and the refugees who will stay behind in Lebanon.

The head of the Lebanese side of the joint committee, Brig. Nabil Kreitan, was meeting with Mr. Habib on Monday. But no date is known to have been set for the panel to convene.

Khalil al-Wazir, military deputy to Mr. Arafat, said the committee was due to meet Sunday when the Israeli air raids began.

PLO leaders accused the Israelis of ignoring the PLO offer to leave.

Chronicle of a Bombardment: Day 50 of the Israeli Siege in Beirut Is the Worst

By Charles T. Powers

Los Angeles Times Service

BEIRUT — It was the longest day of this terrible summer.

Sunday was the 50th day of the siege of this city, and it brought, without any doubt, the heaviest Israeli shelling and bombing of the war.

Dawn comes early to this part of the world, and light sleepers in West Beirut heard the sounds about 3:15 a.m. It was artillery, apparently hitting the Boji el Barajne refugee camp, the steadily weakening stronghold of the Palestine Liberation Organization.

At 6 a.m., the rest of the western sector awoke suddenly as incoming fire from Israeli gunboats, exploding with their peculiar snare-drum reverberation, began falling among the high-rise buildings along the seafloor drive.

On the roof of the Commodore Hotel, the sunlight was already blindingly bright, the sky a clear blue. Israeli Phantom jets were circling

overhead, then diving out of sight behind the buildings, dropping off heat-seeking balloons to distract the PLO guerrillas' heat-seeking missiles.

For the residents of the western sector, the overriding question Sunday morning was: Were the Israelis finally coming into West Beirut?

About 6:30, a radio report said the Israelis — ground troops and tanks — were moving on the airport at the southern edge of the city. For weeks they had been sitting at the airport's southern end, with the Palestinians on the northern edge. Now it appeared that the Israelis might move beyond the airport for the first time.

At 7 a.m., Beirut radio stations announced that bombs, rockets and heavy artillery from land and sea were striking Palestinian camps at Sabra, Chatilla and Boji el Barajne and along the Corniche Mazra, a wide, once-elite street that separates West Beirut proper from Palestinian territory to the south.

The jets circled and dived without interruption. On a rooftop below the hotel, a man came out to tend his pigeons. He did not look up at the sky, but went about his business, scattering grain for his birds.

At 9:10, the Phalangist Party's radio station said the Israelis had overrun the airport. The shelling was said to include the entire coast from south of the airport to the corniche.

At 9:41, a major tank and artillery battle was reported at the Museum Crossing — one of the three entrance points to West Beirut. A second big duel was reported at the Galerie Samaan crossing, another route westward.

At 11:20, the state-run Beirut radio said the Israelis had advanced to within three miles of the center of West Beirut.

In the center of the city, the young men with their guns and their uncertain political alliances stalked around singly and in pairs, worried looks replacing their normally cocky expressions.

About 11:30 a.m., shells began falling around a stately old building on a hill in one of West Beirut's older neighborhoods. It was the home of Saeb Salam, the 79-year-old former premier, who has been active as a go-between in the negotiations involving the special U.S. envoy, Philip C. Habib, and the Palestinians.

The shelling continued for an hour, during which a small building adjacent to the house was hit with a 155mm artillery shell.

Throughout the shelling Mr. Salam was in his home talking desperately by telephone with Mr. Habib, urging him to pressure the Americans into pushing for a new cease-fire.

By noon, residential areas on the east side of West Beirut were being pounded heavily. These were new targets for the Israelis, neighborhoods occupied by the poor and working-class people of the city, overwhelmingly Moslem. Most of these people do not have the money to escape, or anywhere to escape to.

The bombardment of West Beirut had been

going on for almost nine hours without a lull.

At 2 p.m., the Israeli radio said that the Israeli Cabinet had made no decision to send its troops into West Beirut.

At 3:12 p.m., after a lull of about 30 minutes, there was a major resumption of gunboat shelling along the corniche. Ambulance sirens sounded in the streets.

About 4 p.m., the Phalangist radio reported that a cease-fire had been arranged for 5 p.m.

At 4:40, a CBS newsmen, trailing a long sheet of paper, said he had learned from his office that President Reagan had sent birthday greetings to Prime Minister Menachem Begin of Israel and had also asked him to please allow Mr. Habib to conduct his negotiations in Beirut in an atmosphere conducive to their success.

At 4:45, Israeli shelling and bombing reached what seemed to be a new level of intensity.

At 5 p.m., from the vantage point of a 10-

story apartment building perhaps 600 yards from the Corniche Mazra, the scene of devastation was awesome. Shellfire was blasting in at the foot of buildings along the coast.

As the shells hit, the air seemed to quiver. Dust rose, and glass and masonry fell. A vast pall of smoke hung over the long stretch of flatlands south of the city. A column of heavy oil smoke rose from near the airport.

At 5:10, or perhaps a minute before, the shelling stopped.

At 5:30, residents on the east side of West Beirut were coming out of their houses.

At 5:50 on the corniche, where the final heavy gunboat shelling had struck, the guerrillas were clearly in evidence, only 40 minutes into the ninth cease-fire of the siege of Beirut.

Some of them were seen bending over a pair of ammunition boxes, prying off the lids to get ready for the end of this cease-fire and the beginning of new fighting.



Bystanders, police and railroad workers examined the wreckage of a British armored personnel carrier that was driven into the path of an express train near Osnabrück, West Germany.

2 Britons Run Armored Vehicle Into Train in Germany

United Press International

OSNABRÜCK, West Germany — Two British soldiers smashed a stolen 15-ton armored personnel carrier into an express train Monday, killing themselves and seriously injuring 23 persons on the train.

The impact of the collision derailed five of the train's coaches, overturned one of its two locomotives, ripped out 400 yards (400 meters) of track and destroyed the personnel carrier, police said.

The soldiers stole the 15-ton vehicle just before midnight and drove it through a fence onto a highway, a British Army spokesman said. They were pursued by military and West German civil police.

"We have no idea why they took it," the spokesman said.

The men, identified as Michael Fenn, 23, and Robert McLellan, 24, both privates in the First

Battalion of the Duke of Edinburgh Regiment, based at Mercer Barracks here, drove the vehicle up a steep bank onto the railroad line, running it head-on into an overnight express train carrying 300 passengers bound for Copenhagen.

The train, traveling at about 75 miles an hour (120 kilometers an hour), smashed the carrier as the train cars and locomotive overturned. Both soldiers were killed in the crash. The train engineer in one of the locomotives and 22 passengers in the train's fourth coach were seriously injured when they overturned, the spokesman said.

"There would have been more people killed if there had only been one locomotive," a police spokesman said.

Last month, a U.S. Army private stole an M-60 tank and drove it through Mannheim, smashing a streetcar, before plunging the vehicle upside down in the Neckar River and drowning.

U.S. Aid to El Salvador Is Compared by Gandhi To Soviet Afghan Role

By Susan Chira

New York Times Service

NEW YORK — Prime Minister Indira Gandhi of India has compared U.S. involvement in El Salvador to the Soviet presence in Afghanistan.

"It may not be exactly the same situation," Mrs. Gandhi said in answer to a question in a television interview was taped Saturday and broadcast Sunday, "but the U.S.S.R. as they say and as the Afghans also say — were invited by the government there."

The United States has sent about 50 military training personnel and provided financial aid to El Salvador. The Soviet Union has sent an estimated 100,000 troops into Afghanistan since 1979.

Asked about friendship with countries that deny freedom to their citizens, the prime minister said:

"It's not just one country that's doing it. We do know that there has been interference by one country or another in other parts of the world — Latin America, in countries of Africa, in countries of Asia. Now, it doesn't make sense to us to distinguish between these."

Mrs. Gandhi also defended India's relationship with the Soviet Union, criticized U.S. nuclear and economic policies and took exception to Washington's action in supplying \$3 billion in arms to Pakistan.

U.S. Estimate Rejected

The prime minister said her refusal to denounce the Soviet intervention in Afghanistan did not mean that India favored the Soviet Union in general. Calling that idea one of the "misconceptions," she hoped her trip to the United States would clear up, she reiterated that India has a policy of nonalignment.

"We have not in any way allowed any friendship to overshadow another friendship or in any way to influence our decisions or our actions," Mrs. Gandhi said. She added that India does not accept Marxist principles.

Mrs. Gandhi rejected a Penta-

gon estimate that there were as many as 1,500 Soviet military and civilian advisers in India but she said she did not know the exact figure.

The prime minister also said that a recent agreement on spent nuclear fuel had not entirely ended the dispute over the American-built Tarapur power plant, which supplies most of Bombay's electricity.

On Friday, the two nations announced an agreement under which France, rather than the United States, could supply low-enriched uranium for the Tarapur plant. India is not to process any of the spent fuel without Washington's approval.

The United States has insisted that all American nuclear fuel provided to India under international safeguards to prevent its conversion into weapons-grade plutonium. Because India refused to agree to such inspection, the United States has not supplied it with fuel since 1978. Plutonium, one of the products of reprocessing spent fuel, can be used to make nuclear weapons.

Calling the United States position "discriminatory," Mrs. Gandhi said of the fuel, "if we make it ourselves we should be able to do what we wish with it." She said India has not produced any nuclear weapons, adding that a nuclear explosion was set off in 1974 as an "experiment" for peaceful purposes.

On Sunday, Mrs. Gandhi addressed 1,000 people at a Sikh temple in the New York borough of Queens. She asked for support in efforts to make India strong.

Mugabe, Nkomo Discuss Crisis, but No Progress Seen

Washington Post Service

HARARE, Zimbabwe — Prime Minister Robert Mugabe and opposition leader Joshua Nkomo held a rare meeting Monday but apparently failed to make any progress in defusing Zimbabwe's political crisis. The session, requested by Mr. Nkomo, was the first between the two former guerrilla partners since Mr. Mugabe fired Mr. Nkomo from the Cabinet in February and accused him of planning a coup.

Relations have been strained since then, and dissidents, claiming loyalty to Mr. Nkomo, have mounted a campaign of violence in his Matabeland stronghold in southwestern Zimbabwe.

After the meeting, Mr. Nkomo called the situation in the country very dangerous and said, "We agreed to follow a certain course of action which will make known as we go along." The implication was that the government would back away from a confrontation and would cooperate with Mr. Nkomo's Zimbabwe African People's Union party to try to curb the mounting dissidence since Mr. Nkomo was fired. Mr. Nkomo has been seeking joint action for weeks in an attempt to boost the role of his party.

Meanwhile, about 1,500 troops continued their search for about a dozen dissidents and the six American, British and Australian tourists they kidnapped 10 days ago in Matabeland.

Kenya Fights Last Rebels

(Continued from Page 1)

how many air force members were involved in the coup attempt. Sources said that the core of the rebel forces was made up of combat troops trained to guard bases and other installations.

President Moi, 58, has been in power since 1978, when he succeeded the late Jomo Kenyatta, Kenya's revered first president and the architect of the country's independence.

Last month, Mr. Moi pushed through a constitutional amendment making his Kenya African National Union the only legal political party. Since then he has been rounding up leading his party's opponents.

"One rebel broadcast said: 'Rampant corruption and nepotism has made life almost intolerable in our society. The economy is in a shambles, and the people can't afford food, housing and transport.'"

But diplomatic sources said that the air force dissidents seemed to have little public support.

Turkey Charges 65 With Rebellion

The Associated Press

ISTANBUL — Sixty-five alleged leftist activists went on trial in Erzurum, in eastern Turkey, Monday on charges of "armed rebellion" against the state to establish a Communist regime, the semi-official Anatolia News Agency reported.

In a dispatch from Erzurum, the headquarters of military authorities for three other provinces, the agency said the 65 belonged to four leftist armed groups that were

active in several districts of Kars, near the Soviet frontier.

They will be accused of the sons, armed robberies, extortion and membership in an illegal organization. The agency dispatch did not specify the penalty sought by the military prosecutor in the case. It only reported that the group were found to "have conspired to disrupt the constitutional regime in Turkey with an aim of Communist order," a charge that carries the death penalty.



The family of a man wounded by shrapnel gathered Monday at his bedside at a Beirut hospital. The hospital's 50 patients had been moved to underground storage rooms during the Israeli bombardment of West Beirut on Sunday. Several shells hit the building, but no one was injured.

U.S. Should Talk With PLO, Egyptian Says

(Continued from Page 1)

said, was an immediate withdrawal of the PLO, restoration of a strong government in Lebanon and a final withdrawal of all foreign forces. In effect, this approach was identical to Israel's reported goal of liquidating the PLO militarily and politically and leaving Lebanon under the domination of Maronite Christian militias led by Bashir Gemayel.

While welcoming the shift in U.S. policy, Mr. Ali said Egypt feels the United States should telescope its political schedule to accompany the PLO's withdrawal by making commitments to discuss with the PLO such issues as Palestinian self-determination and the creation of a homeland.

By phrasing this in the context of the Camp David accords, the Reagan administration could give support to Egypt's diplomatic campaign in the Arab world to

show that their peace with Israel was intended to help the Palestinian cause as well.

Echoing Egypt's view that the United States holds the trump of a Middle East settlement because of its influence over Israel, Mr. Ali said that Israel's narrow interpretation of Palestinian rights, coupled with Israeli behavior in Lebanon and in the occupied West Bank, is liable to turn the Palestinian movement back into a terrorist

operation and also block hopes of normalizing relations between Israelis and Egyptians.

Reacting to criticism of Israel and Mr. Arafat's signals of increased PLO moderation, Mr. Ali said, the Reagan administration is more receptive to Egyptian initiatives on behalf of the Palestinians.

"But the Americans say they need more time, and sometimes there just isn't any more time," he said.

WORLD BRIEFS

Iraq Reaffirms Relations With Russia

NICOSIA — The first deputy premier of Iraq, Taha Yassin Ramadan, has reaffirmed Iraq's friendly relations with the Soviet Union and said he hopes more comes of them, according to the Iraqi news agency, INA. Iraq has a 20-year treaty of friendship and cooperation with the Soviet Union, but there have been unconfirmed reports that the Russians have not lived up to their side of the agreement and have offered no help for Iraq in its conflict with Iran.

The INA dispatch also said Mr. Ramadan assailed U.S. policy toward Iraq and other Arab nations. "We still regard the Soviet Union as a friend," he was quoted as saying, "and we have made great strides as far as mutual relations are concerned. We also hope to achieve more in this respect." INA said Mr. Ramadan made his comments to the English-language Baghdad Observer.

OUA Summit Is Considered Unlikely

TRIPOLI, Libya — An African summit meeting due to open in Tripoli on Thursday is unlikely to take place because of a continuing dispute over the Western Sahara, conference sources said Monday.

The sources said 20 countries that have boycotted the current preparatory ministerial session were not expected to attend the planned summit of the Organization of African Unity. They are objecting to the presence of delegates from the Polisario Front, which has been fighting Morocco for six years to achieve independence for the Western Sahara.

Conference sources also said some African leaders may stay away because they object to the foreign policy of Col. Moamer Qadhafi, the Libyan leader who is scheduled to take over as OAU chairman at the summit.

Hearings Start in French Bus Deaths

CREPY-EN-VALOIS, France — A court hearing opened Monday into possible homicide charges in the fiery collision of 10 vehicles Saturday that killed 53 persons, including 46 children — most of them aboard two buses bound for summer camp.

The court proceedings were ordered by public prosecutor Regis Mourier of Dijon, capital of the Burgundy province where three buses and seven cars piled up on a rain-slicked highway, causing an explosion. Forty-four children died aboard two of the buses and two children were killed in a car with their mother — one of the seven adults killed in the crash near Beaune. Initially, the police had reported 44 children and nine adults dead. President Francois Mitterrand and Prime Minister Pierre Mauroy were to attend funeral services Tuesday for the 44 children who came from the town of Crépy-en-Valois, north of Paris.

2 Romanians Continue Protest Fast

VIENNA — A Romanian woman who has been on a hunger strike for 22 days said Monday she and her husband are pledged to continue until Romanian authorities permit them to move to Israel.

Ruxandra Rutescu said by telephone from Bucharest that Romania's chief rabbi, Moses Rosen, had appealed to her husband, Sergiu Rutescu, a 36-year-old architect, to end the hunger strike. Her husband rejected the plea, she added.

"We are decided to go to the end, because I don't understand why they need such a long time to make a decision," Mrs. Rutescu, 34, said. They have been trying for 12 years to gain permission to move to Israel with their son, who is 9.

UN to Reopen Disarmament Talks

GENEVA — The United Nations is to reopen its long-standing talks on disarmament Tuesday, nearly a month after a special General Assembly session on arms reductions ended in failure.

The 40-nation disarmament committee, in addition to reviewing the draft program on disarmament on which the General Assembly failed to agree, will propose new initiatives.

Washington and Moscow have given hints recently of new interest in two technical working groups on means to verify compliance with nuclear test bans and a proposed ban on all chemical weapons. Neither group is expected to produce new agreements, but progress in their talks might spill over into U.S.-Soviet negotiations, diplomats said.

Compiled From Agency Dispatches

50 grams of fresh caviar

An idea for summer evenings on the Champs-Élysées, in a romantic musical atmosphere, with sampling prices for the best caviar and exquisite Persian specialties at LE GOLESTAN, 67 Champs-Élysées, Paris 8. Tel. 225 62 90

An eden For gourmets And music lovers

Gastronomy served with elegance in the most peaceful garden of the Champs-Élysées. Greenery, fountains and terraces provide the ideal setting for businessmen's lunches at midday, and in the evenings you may listen to recitations of SHAKESPEARE accompanied by music from MENDELSSOHN adding quality to the happiness of dining in this paradise of freshness.

Restaurant LES ELYSÉES

51, rue François 1er - 75008 PARIS

Reservations: 562.63.64

Lunch starting from 12.30

Dinner starting from 8.30 p.m.

In the unique Hotel Nova-Park Elysées

LA BOUTIQUE DANOISE

The Danish Shop in Paris

(at Etoile)

Gifts - Furniture - Lighting - Rugs

Silverware - Jewelry - Porcelain - Glassware

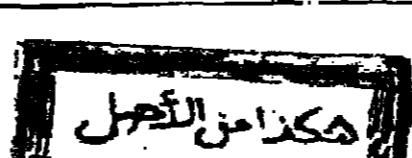
42, Avenue Friedland - 75008 PARIS - Tel. 227 02 92

Export Discount & Shipments Abroad

From July 5th through August 27th, Monday through Friday, the International Herald Tribune will present the news in English at 10 a.m. on radio station RMC.



Ecoutez la radio qui vous écoute



Grumman Plane Selected As Premier Navy Fighter

By Richard Halloran
New York Times Service

WASHINGTON — Defense Department officials have selected the Grumman F-14 Tomcat as the Navy's premier fighter but have left open the possibility of an attack bomber, according to Pentagon and industry officials.

The Pentagon's action is expected to shape naval aviation for the rest of the century.

The selection of the F-14 could mean \$8.4 billion for Grumman Aerospace Corp. of Bethpage, N.Y.

It will build 144 of the planes in the fiscal years 1984 through 1988 if Congress approves each annual aircraft request from the administration. This year, Congress is almost certain to approve the purchase of at least 24 F-14s for 1983.

The bomber question has set off a fierce lobbying battle between two leading military contractors — Grumman, which makes A-6 Intruders, and McDonnell Douglas of St. Louis, manufacturer of F-18 Hornets. The orders will be worth about \$4 billion to the victor.

Grumman has cut its price on the Intruder, and the Navy is making it plain to McDonnell Douglas that it expects similar concessions.

The two decisions on aircraft

purchase came in a review of the Navy's five-year plan for spending more than \$30 billion on aircraft. The review was ordered by the Defense Resources Board, the Pentagon's top executive committee, as it prepared the 1984 military budget.

In a confidential memorandum, the board questioned whether the purchasing rate and the Navy's pattern of buying a few planes of several sorts at a time could be sustained over five years, given rising costs.

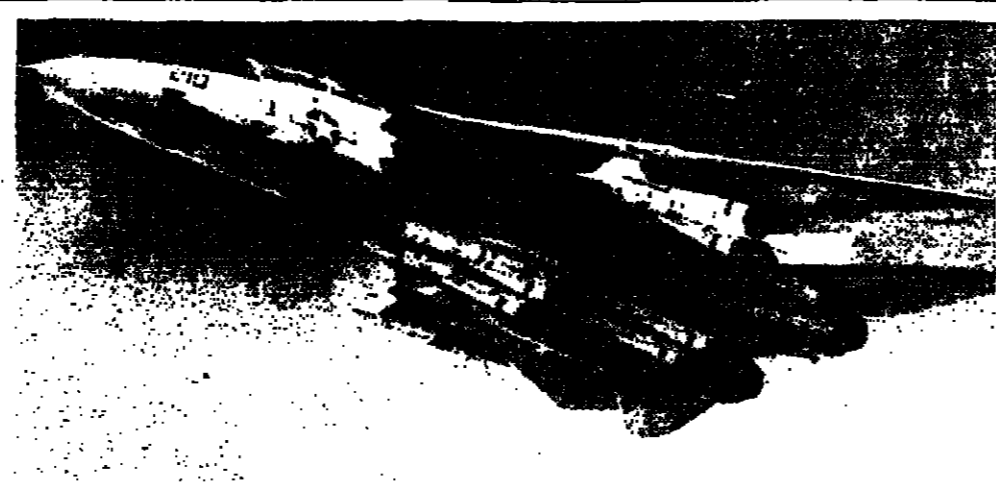
The memo said, "The most frequently cited cause of the problem is, too many different types of aircraft are being bought at low and inefficient procurement rates with resultant high unit costs."

The new aircraft will replace planes lost through age or accidents and equip an expanding fleet of aircraft carriers.

Alternatives Listed

When the review was begun, officials said, a confidential memorandum listed alternatives with various combinations of F-14 Tomcats, A-6 Intruders, F-18 Hornets and other aircraft that would cost between \$30 billion and \$34 billion.

One alternative called for ending production of F-14 Tomcats, whose task is to defend carriers and escort vessels, and replacing



The F-14 Tomcat: Grumman could get an \$8.4-billion contract.

them with F-18 Hornets. The Hornets can serve as both fighters and bombers.

Another alternative called for canceling F-18 production and using A-6s in the attack role; a third would have ended A-6 production and turned to the F-18.

The officials said the Defense Resources Board accepted the recommendation of Navy Secretary John L. Lehman Jr. to make the F-14 Tomcat the Navy's chief fighter because its performance is among the best in the world and its unit cost would drop as more planes are produced.

Officials said some Hornets may be bought for use on smaller carriers until they go out of service around 1990.

In the competition for the

bomber contract, the officials said, the question is whether Grumman's A-6 Intruder will be the Navy's only attack bomber or whether the attack force will be a mixture of Intruders and F-18 Hornets.

They said Grumman had offered a firm price of \$19 million for each A-6, which one senior official said represented a "startling" 19-percent reduction from earlier prices. As a result, the officials said, the Navy has each McDonnell Douglas that each Hornet must cost no more than the \$22.5 million the plane cost last year.

One senior Navy official said, "If we don't get our price, we are dropping it from the Navy."

Since the Defense Department and the Navy must com-

plete drafts of the 1984 budget and a five-year procurement plan by the fall, officials said the Navy must have an answer from McDonnell Douglas by early October.

The initial program the Navy submitted would have spent \$34 billion for 970 tactical aircraft, including 144 F-14 Tomcats, 606 F-18 Hornets, 30 Grumman Prowlers that can electronically jam enemy radar, and 190 AV-8B's, a McDonnell Douglas derivative of the British Harrier jump-jet.

The Grumman A-6 Intruder was omitted from that plan to reduce the variety of aircraft, but Mr. Lehman restored it when Grumman cut the price and announced plans to improve the plane.

U.S. Says Its Outspends Europe Allies, Japan on Military

By Richard Halloran
New York Times Service

WASHINGTON — A new Defense Department report to Congress shows that the United States continues to spend more money for military power than all of the major European allies and Japan together.

The report on Allied Contributions to the Common Defense, signed by Secretary of Defense Casper W. Weinberger, further shows that the United States provides far larger proportions of manpower, ground forces, air power, and naval forces than do any of the allies.

"In the final analysis," the study says, "the United States appears to be doing somewhat more than its

fair share of the NATO and Japanese total." It singles out Japan, asserting that Japan "appears to be contributing far less than its share of what it is capable of contributing."

The report appears likely to further ammunition to members of Congress who have recently been critical of the large sums of money the United States has been spending on military budgets while domestic programs have been cut to reduce the federal deficit.

Some members of Congress have contended that the United States should begin pulling ground forces out of Europe because allies there have failed to carry a fair share of the military burden.

"Ironically, NATO's success in

detering war for more than three decades has undermined the resolve of a generation in Europe that has never experienced the horrors of war," the Defense Department report says.

The report says that most of the allies have failed to achieve the 3 percent annual increase in military spending agreed upon in 1979.

"Politically, the failure of our allies to achieve at least the 3 percent judged necessary to keep the East-West balance from tipping further against NATO could be seen by Moscow as a weakening of our collective resolve," the report says.

Japan and France were not parties to that agreement, but recent Japanese military spending has been increasing about 7 percent a

year, although from a low base. French spending has been going up 3.5 percent annually. The Japanese government recently approved a budget for the 1983 fiscal year calling for a 7.34 percent increase in military spending.

Burden in the Gulf

In a section on U.S. policy toward protecting oil sources around the Gulf, the report said that "the allies, as major beneficiaries of this effort, must do their fair share to carry the risks and burden of defending common security interests in Southwest Asia."

The report on what is called "burden sharing," a classified version of which went to Congress in

March, was more elaborate and more carefully composed this year, according to Defense Department officials. But they said that some of the more pointed criticisms of the allies had been edited out of the version made public last week.

The report shows that the United States provides 53 percent of the total, collective military budgets of the allies. Britain, France, and Germany spend about 10 percent of the total but Italy and Japan less than 4 percent.

The United States furnishes, for the common defense, 66 percent of the naval tonnage, 45 percent of the tactical air power, 39 percent of the ground forces, and 41 percent of the people on active military duty, according to the report.

Torture Press Tip Upsets U.S. Aides in Salvador

By Christopher Dickey
Washington Post Service

SAN SALVADOR — From the moment the man entered the inner offices of the "fortress-like" U.S. Embassy here, fearful and almost unable to walk, it was known that his story was potentially explosive.

He was a volunteer for a Salvadoran humanitarian organization. He gave an account of being tortured at the hands of El Salvador's state police.

The classified embassy report of the incident to the State Department was leaked to the press in Washington last week, causing some embassy staff members to wonder aloud whether their messages can or should be frank if they will be turned over to the press.

"Your policy is that the United States cannot accept torture, and the other side is that the U.S. perceives vital interests at stake in El Salvador said a U.S. diplomat.

"How do you reconcile one with the other?"

Interviews with U.S. officials about how the report was written and how it was received in Washington before it became public indicate other problems.

• The continuing insularity of the embassy staff.

• A concern among some officers about "writing to policy," and, at its root, what some feel are the inherent contradictions that appear in U.S. policy when it comes down to concrete cases such as this one.

The embassy's report on the alleged torture of the volunteer for the Salvadoran Green Cross reportedly went to Washington promptly and "straight," without

altering the sometimes gruesome details of the man's allegations.

The report was given the high classification of "NoDis"—not for distribution. This was partly to protect sources, and especially the victim, who was subsequently given a U.S. visa so he could leave El Salvador.

There was also the general desire to protect policy, according to U.S. diplomats.

At least one official concerned with the case was looking to the required Reagan administration certification of an improving human-rights situation in El Salvador. The certification was made last week.

And there was the specific intent to preserve the embassy's good relations with the commander of the National Police, Col. Reynaldo Lopez Nula. A top U.S. official described Mr. Lopez Nula as "one of the best people in this government."

Mr. Lopez Nula frequently has been credited by U.S. officials with doing more to clean up his branch of the security forces than any other senior officer in the Salvadoran armed forces. They note that he is cooperative, answering inquiries and apparently acknowledging detentions.

The police denied the allegations of the Green Cross worker. The embassy was left to assess whether Mr. Lopez Nula or others had set up an elaborate screen, whether this was an isolated incident, whether Mr. Lopez Nula did not know what was going on in his organization, or whether the Green Cross volunteer was lying and had made a well-timed and well-rehearsed visit to the embassy.

U.S. officials are also suspicious that the Green Cross has links to the guerrillas, and on one occasion, when stopped by guerrillas, the Green Cross volunteer gave them a small quantity of milk—an act witnessed by bystanders.

Embassy officials were reluctant to say whether they had made any attempt to visit the suite of secret, soundproof cells allegedly located on the third floor of the National Police headquarters, where the volunteer said he was held for a week.

Much of the Green Cross volunteer's credibility rests on the fact that at least one member of the embassy staff. No medical examination was conducted, but the embassy officer who interviewed him said "the guy would have had to have been the best actor in the world" to simulate the evidence of crippling pain, the spontaneous tears and the sweating seen during the interview.

The embassy officer who knew the alleged victim described him as an evangelical Christian. The officer said the man appeared to have recovered from his injuries when he saw him in June, after the report was filed and shortly before the man left the country.

Ambassador Dean Rusk, who was visiting Washington when the case broke, on his specific protest to President Jimmy Carter, and warned that such actions could have a serious effect on U.S. support.

FBI Checking New Charges On Donovan

By Robert Pear
New York Times Service

WASHINGTON — The FBI is again looking into allegations against Labor Secretary Raymond J. Donovan, at the request of the special prosecutor who recently concluded that there was no evidence to justify prosecution of Mr. Donovan.

Sources close to the current inquiry said Sunday that the bureau had not been able to corroborate any of the new allegations, which were said to be similar to the charges originally made against the labor secretary.

Leon Silverman, the special prosecutor, conducted a six-month investigation into allegations that Mr. Donovan, in his years as an executive with the Schiavone Construction Co. of Secaucus, N.J., had ties to organized crime figures and had witnessed an illegal payoff to a union official in 1977.

Vernon R. Louviere, a spokesman for Mr. Donovan, said Sunday night that the secretary was aware of the latest allegations and would not comment on them. Mr. Donovan has consistently denied any wrongdoing. Mr. Louviere said Mr. Donovan would "wait this one out" just as he had during Mr. Silverman's investigation.

FBI Declines Comment

Mr. Silverman could not be reached Sunday. A spokesman for the FBI in Washington, Roger S. Young, declined to comment on the report that agents were again looking into allegations against Mr. Donovan.

Some members of Congress have charged that the FBI did not conduct an adequate investigation of Mr. Donovan when he was nominated by President Reagan. Sen. Orrin G. Hatch, Republican of Utah, has also said that some bureau officials withheld important information from the Labor and Human Resources Committee when the panel held hearings on Mr. Donovan's qualifications in January, 1981.

The committee, of which Sen. Hatch is chairman, voted last month to look into the bureau's performance in the Mr. Donovan case. Congressional aides said that, in view of the panel's investigation, the FBI and Mr. Silverman had to take the new allegations seriously even if the charges might seem to have little merit.

Law-enforcement officials suggested that, to summarize the results of his work since June 28, the date he released the report on his investigation, Mr. Silverman might submit a supplementary account to a special three-judge panel of the U.S. Court of Appeals for the District of Columbia, which appointed him last December.

55 Killed on Spain's Roads

The Associated Press

MADRID — Fifty-five persons were killed and 56 seriously injured in 41 traffic accidents in Spain during the weekend, police reported Monday. They said that the accidents occurred as millions of people were returning from beginning their summer vacations.

U.S. Study Assails Plan To Kill Energy Agency

By Milton Benjamin
Washington Post Service

WASHINGTON — The General Accounting Office, in a report highly critical of President Reagan's plan to abolish the Department of Energy, says a four-month study turned up no evidence to support the administration's claim that the action would save more than \$400 million a year, or any less sum.

In fact, the GAO says, the administration has failed to take into account "numerous" expenses that shifting most of the Energy Department's functions to the Commerce Department would involve and has "not performed the detailed planning necessary" to carry out a major reorganization efficiently.

The report, scheduled to be made public Monday, seems likely to doom any lingering hope of the Reagan administration to get legislation to abolish the Energy Department enacted in the current session of Congress.

Wide-Ranging Reactions

Introduced in the Senate two months ago, the administration's plan ran into reactions ranging from skepticism to outright hostility at the only hearing that has been held. The administration has not found a sponsor to introduce the bill in the House.

In recent months the administration has variously claimed that the reorganization would save \$1.3

billion, \$1 billion and \$250 million over three years. But the GAO, the auditing arm of Congress, said in its report that it had found that "sufficient evidence has not been developed" by the administration to support any of the savings estimates.

The GAO said that when it reviewed the figures with administration officials, they agreed that most of the envisaged reductions in personnel were "primarily related" to cutbacks in federal energy programs and were not linked to the proposed reorganization.

As to claimed efficiencies from merging the operations of the two Cabinet departments, the GAO said Commerce Department officials "had no specific explanation" of what types of automated systems could be merged to produce the \$200 million savings cited by the administration.

In fact, the GAO concluded, "to the extent that it would be necessary to integrate systems, the difficulties of combining Energy's systems with those of Commerce would likely be substantial."

While the consolidation of those systems could eventually lead to economies, officials from both departments told the GAO that they had not considered in their savings estimates the "difficulties and expenses" associated with merging the systems.

The GAO was even more skeptical of the administration's claim that the reorganization would save \$50 million by tightening the manner in which the Energy Department audits the activities of private contractors.

The GAO also faulted planners of the reorganization for failing to take into account a wide range of costs — higher overtime costs, along with increased training and support-services expenses — that the administration's proposal would entail.

In sum, the GAO concluded that the "expenses of reorganization have not been assessed, and the current savings estimates are poorly documented and are based on inadequate implementation plans."

Marijuana Called Fourth Largest Cash Crop in U.S.

United Press International

NEW YORK — Marijuana has become the nation's fourth largest cash crop, worth about \$8.5 billion a year, Time magazine has reported.

And the grass is evidently greener in California, Hawaii and Oklahoma — states that led the harvest list. Nationwide, only corn, wheat and soybeans ranked ahead of marijuana in market value.

California's marijuana harvest was worth \$1.5 billion in retail sales. Hawaii was second with a \$750-million crop that rivaled the pineapple crop in value. Oklahoma harvested \$350 million worth. In Kentucky and Tennessee, each with a \$200-million yield, marijuana has replaced moonshine liquor as the favorite illicit enterprise, the magazine reported.

Farming the marijuana is reportedly done by professionals such as lawyers and stockbrokers, as well as laid-off workers and financially squeezed farmers. Time reported that 100,000 people are commercial growers of marijuana. They supply about 20 percent of the marijuana consumed annually by the nation's estimated 25.5 million smokers.

According to the magazine, the preferred crop is sinsemilla, a seedless marijuana that has a high concentration of tetrahydrocannabinol, marijuana's psychoactive ingredient. It sells for about \$2,000 per pound.

Big Canada Forest Fire Shuts Route to Alaska

The Associated Press

FORT NELSON, British Columbia — A fire touched off by lightning roared out of control across 400,000 acres in the northern forests and closed the main highway to Alaska, according to the provincial Forest Service.

The fire had consumed at least 400,000 acres of pine and spruce by Sunday. Satellite photographs showed that smoke from the fire had drifted as far as West Virginia, the U.S. Weather Service reported.

AUTHORS WANTED

BY N.Y. PUBLISHER

Leading subsidiary book publisher seeks manuscripts of all types: fiction, non-fiction, poetry, juvenile, mystery and reprint works, etc. New authors welcomed. Send in free booklet \$2.50. Vantage Press, 516 W. 34th St., New York, N.Y. 10001 U.S.A.

China Makes New Attack on Japan's Texts

Publishes Grisly Photos Of Nanking Atrocities

By Michael Rank
Readers

PEKING — Peking published Monday the grisliest photographs so far of atrocities committed during the Japanese occupation of China in a further show of anger over the rewriting of Japanese history textbooks covering that period.

The photographs in the Communist Party newspaper People's Daily showed Chinese being buried alive and piles of corpses heaped in ditches during the "rape of Nanking" in 1937, in which the paper said up to 340,000 people were killed. It quoted the revised textbooks as blaming the Chinese for the massacre.

Peking has reacted furiously to the revisions, which now refer to the invasion of China simply as an "advance" instead of aggression and which gloss over atrocities during the occupation from 1937 to 1945.

The revisions also have upset North and South Korea, which were ruled by Japan from 1910 to 1945, because they describe members of the peninsula's independence movement as "rioters" rather than as a resistance group.

China holds the Japanese Education Ministry responsible for the revisions, although a senior ministry official has said the books are the responsibility of the publishers.

China expressed its anger Sunday by withdrawing an invitation to the Japanese education minister, Hajji Ogawa, to visit Peking next month. Mr. Ogawa said Monday in Tokyo that he agreed that it was not an appropriate time for a visit. He said he would study ways to create what he called an environment suitable for a future visit.

Japanese Murders

China had earlier published a series of photos taken during the Nanking killings, and the People's Daily said in a report accompanying the latest set that "the Japanese murderers slaughtered everybody in sight and burned every house within view, carrying out a bloody massacre for six weeks."

It quoted an international military tribunal as reporting that 190,000 people had been shot or buried alive in mass killings and 150,000 murdered individually.

"When people see how the Japanese aggressors murdered our innocent compatriots 45 years ago, they are bound to realize what is the true aim of the Japanese Education Ministry in falsifying the history of the invasion of China," the newspaper added.

The report followed the screening on Chinese television Sunday night of a feature film about the occupation. Diplomats saw the showing, the first in many years, as a clear attempt to win popular support for press attacks on Japan.

China says the textbook revisions violate the spirit of a 1972 agreement in which the two countries established diplomatic relations and Japan expressed regret for its past actions.

Japan is China's biggest trading partner, with bilateral exchanges worth \$10.4 billion last year.

Reaction in Seoul

In Seoul, Lee Kyu Ho, the South Korean education minister, said Monday that any country that tried to tarnish over past wrongs and beautify crimes that distressed its neighbors would have difficulty in securing their trust and cooperation.

Mr. Lee, who did not name Japan, was the first South Korean minister to comment on the textbook issue, which has dominated the country's media and led to widespread anti-Japanese demonstrations and an anonymous death threat against the Japanese ambassador to Seoul, Toshikazu Maeda.

In Pyongyang, the North Korean news agency said the textbooks whitewashed "the vicious colonial ruling policy of the Japanese imperialists."

Succession Law Urged in Manila

United Press International

MANILA — An opposition legislator, saying the measure might avert a civil war, called Monday for a constitutional amendment to provide a successor in the event of President Ferdinand E. Marcos' death.

Reuben Canoy, a member of the Philippines' legislature, said, "If the question of presidential succession is not settled while President Marcos is still alive, there is great danger of a civil war upon his death or incapacity."

Mr. Marcos has been rumored to be ill, but last week the government said doctors had pronounced him fit. Under the present constitution, the executive committee that helps to administer the country would serve the remainder of the president's term if he died within 18 months of the next scheduled election.

WORLDWIDE ENTERTAINMENT

PARIS

OUVERT TOUT L'ETE

Francis BENOIST

CHEZ LES ANGES

54, Boulevard de la Madeleine, Paris 7

75001 PARIS

FRANCE LE DIAMANT SOIR ET LE LUNDI

Peking: Echange des nouvelles

South Korean's Death Is Traced to Torture

By Sam Janison
Los Angeles Times Service

SEOUL — Koo Jong Do, 46, an obscure critic of the government, may have been the first fatality from political repression since Chun Doo Hwan took over as president in August, 1980.

Human-rights activists, who asked not to be named, said that Mr. Koo died in Kwangju on May 31 of illnesses incurred as a result of torture during an interrogation by provincial policemen. Expecting death, Mr. Koo reportedly dictated to his wife a "last letter to my son" a day before he died. In it, he charged that his illnesses had been brought on by police torture.

The Korean national police, in unusual replies to two sets of written questions, denied that Mr. Koo had been tortured and asserted that the "last letter" was not authentic.

During the 53 days that Mr. Koo was held in custody for questioning, the police said in their first reply, they were aware of the serious illnesses he was suffering yet permitted him outside treatment on only two days.

Response Changes

Asked to explain why so little treatment had been offered, the police corrected themselves in their second reply to say that Mr. Koo had been treated on nine days outside of prison. During the longest period of custody without outside treatment — 36 days — Mr. Koo was treated five times in the prison infirmary, the second reply added.

Released on May 15, Mr. Koo was hospitalized, underwent surgery for removal of his gallbladder and died May 31.

The case, which has not been reported in South Korea, came to light after charges of torture were made in three other political cases as well as in three criminal cases.

In two of the criminal cases, Korean judges stunned police officials and prosecutors by throwing out confessions extracted under duress as unreliable and declaring the defendants innocent.

These actions spurred opposition political parties and the nation's usually muzzled press to accuse the government of permitting police torture. Church leaders took the unusual step of writing to President Chun directly to complain of alleged torture in the three political cases.

Mr. Koo's case, however, is the first time that South Korean police — even while denying torture —

have offered evidence themselves that a gravely ill prisoner received what must at best be considered insufficient medical treatment while in custody as a suspect.

Mr. Koo, a political follower of Kim Dae Jung, the opposition's unsuccessful presidential candidate in 1971, who himself is now in jail, was arrested with three other men on a charge of violating the so-called "national security law."

He was charged with attempting to organize what the police called "an illegal association." No elaboration was offered.

Dissidents said Mr. Koo and two others were detained because they had been distributing copies of Korean newspapers published in Los Angeles and Canada.

Account of Torture

In his purported letter to his eldest son, Pong Kwan, 16, Mr. Koo accused police of torturing him in June, 1980, and again during his detention this spring, after being detained March 23, Mr. Koo's letter said, he was subjected to "brutal torture and beatings."

"I wasn't even allowed to go to the toilet freely and my whole body was covered with bruises. I could hardly move my hands and feet."

Human-rights advocates said that Mr. Koo's wife, Park Yu Tok, wrote the letter, following his general dictation. The police contend that the letter is not authentic. His wife "has not had sufficient formal education to enable her to write such a [letter]," the police statement said.

An English translation of the letter obtained here, however, contained no difficult words and was written in a rambling, informal style.

Officials Concerned

The police officials' replies to written questions underscore a new concern at high levels of the South Korean government over charges of police torture.

Earlier, in February, national police officials agreed to meet with 11 Protestant leaders who had sent a letter to Mr. Chun protesting official torture.

The home affairs minister at the time, Suh Chung Hwa, replied in a letter to the

Herald Tribune

Published With The New York Times and The Washington Post

The Reagan-Gandhi Deal

From THE NEW YORK TIMES

The eight-year struggle with India over its nuclear weapons program is ending in a draw. The deal between Mr. Reagan and Mrs. Gandhi is not a defeat for either, but neither is it a victory for nonproliferation.

The laudatory aim of the settlement was to sweeten the atmosphere for a rapprochement, symbolized by Mrs. Gandhi's first visit to the United States in more than a decade. But in strictly nuclear terms, India gained. By substituting France for the United States as the supplier of civilian nuclear fuel, the deal eliminates the American pressure, through fuel delays and cutoffs, to get New Delhi to accept "full-scope" safeguards—international inspection of all its nuclear facilities.

Mrs. Gandhi comes away with a guarantee of nuclear fuel for at least 11 more years without having to prove her claim that she is not making bombs. She has not even promised, like her predecessor, not to conduct another nuclear explosion. There is ground for complaint that the deal undercuts the Nuclear Nonproliferation Act.

Still, a second Indian weapons test has not, in fact, occurred for eight years—undoubtedly because of American pressure and world opinion. It remains unlikely. There have been other gains. India's clandestine diversion of civilian nuclear aid made the world more alert to the dangers lurking in peaceful nuclear projects. There has been a general tightening of precautions by all the nuclear supplier nations. And no other potential weapons maker has so far exploded a nuclear device.

The Indian-U.S. standstill had in any case become unstable. An agreement in 1963 obligated the Indians to use U.S. fuel in the U.S.-built reactor at Tarapur. But, uniquely, it also obligated America to supply the fuel—for the reactor's presumed life of 30 years. Thus, when Congress in 1978 insisted that fuel be

denied to those nations whose programs were not fully inspected, India had a legal case for declaring the agreement broken.

That risked the diversion of American aid to military projects. Most disturbingly, India maintained it no longer needed U.S. consent to reprocess nuclear waste, even if the resulting plutonium fuel could also be used as a bomb explosive. It notified the United Nations that spent U.S. fuel rods were being shipped to a new reprocessing plant.

Given India's political importance, there was a strong case for liquidating this controversy—provided a vigorous anti-proliferation program were in place for the rest of the world. The surrender to India can be defended as a surrender to necessity, to retain the remainder of the 1963 agreement's inspection and reprocessing safeguards. But the Indian deal is easily symbolic of the Reagan administration's weakened interest in nonproliferation. It has been making other deals that similarly circumvent the spirit, if not the letter, of the Nonproliferation Act.

South Africa and Brazil, whose U.S. fuel is also blocked by the law, have also been helped to European substitutes, although they had no comparable legal claims. Supplies and equipment for sensitive facilities, which the Carter administration would have opposed without the law requiring it, have been approved for Argentina and South Africa. Pakistan's nuclear transgressions have been overlooked in providing aid.

Most important, the Ford-Carter campaign against plutonium use of plutonium as a fuel has been abandoned in the United States and in Europe and Japan. And this context gives the new Indian arrangements a somber cast. Once plutonium is widely used in key countries, it will be hard to deny to other friends. Congress had better look again, and fast.

Meanwhile, Back at the UN

From THE WASHINGTON POST

Two recent news items:

• A Washington Post correspondent reported from Beirut: "The Palestine Liberation Organization has prevented food supplies stored in a United Nations warehouse here from reaching refugees in besieged West Beirut and southern Lebanon for the past 10 days. UN officials charged today. PLO officials, who in the past have bitterly condemned Israeli forces for periodic blockades of food and water to West Beirut, confirmed reports that they were preventing the UN Relief and Works Agency from removing food from its West Beirut warehouse."

• On the same day late last week came a story about the United Nations Security Council's deliberations on the Lebanese crisis: "The council interrupted the debate over the [French-Egyptian] resolution to pass by 14 to 0 another statement, proposed by Spain, demanding that Israel immediately lift its blockade of Beirut to permit the distribution of emergency supplies."

Is there anyone left who wonders why responsible people, and not just Israelis, find it hard to accept the United Nations as a serious and workable instrument for dealing with the Arab-Israeli dispute?

Diplomacy Against Drugs

From THE NEW YORK TIMES

Since large supplies of heroin reappeared in major American cities four years ago, the government has done little to choke the traffic at the source. The Carter administration slashed funds for anti-drug efforts abroad and the Reagan administration reduced them even more. The State Department's budget in this area is down to a modest \$36 million.

Money for personnel abroad is the major need. There are laws on the books to permit suspension of aid to uncooperative countries. But with the program starved, other policy concerns get priority. Pakistan, for example, is the source of 60 percent of the heroin that reaches America; but after the Soviet invasion of Afghanistan, nothing was allowed to interfere with a \$3.2-million aid program.

New York's Senator Moynihan proposes a law to empower the president to terminate trade as well as aid. The law is probably superfluous, but the proposal provides a useful reminder of Washington's neglect.

The illicit drug traffic is indeed best fought at the source; the Nixon administration proved it with pressure on Turkey and Mexico. But other governments are not always in control of the areas where the drugs are

grown and processed. Some deserve sanctions because they refuse to help; others deserve assistance when they do.

Drug intelligence reports, on which Senator Moynihan would rely, have not been regularly produced or been very precise when they are. Beyond intelligence, what is needed is a fair set of standards to guide a vigorous drug diplomacy. In Burma the opium fields are largely in the hands of Communist insurgents. Pakistan's government denounces the opium trade and claims to be unable to curb it. Lebanon, which until recently was the source of most hashish coming to America, has had no effective government for years.

Unless concern about the drug traffic is built into the relationship with some countries, no results can be expected. Some nations need aid, training and technical advice in policing their territories. Some need still larger amounts of aid to buy out farmers who shift to less profitable crops. Other foreign policy considerations may well have to override the drug issue in some cases, but the useful message of Mr. Moynihan's proposal is that an attack on the problem abroad has been altogether neglected for too long.

Other Editorial Opinion

Dissenters in Kenya

That a coup could have even been envisaged was in large part due to the deteriorating economic and political conditions of the past few years. Kenya has for the first time experienced something of the problems perennially felt by other African countries: a declining agricultural sector, a booming birthrate, widespread political corruption and, through want of commercial success, a shortage of foreign exchange which even the influx of tourists has not wholly removed.

The number of political detainees has risen rapidly. Two weeks ago the editor of Nairobi's leading newspaper was unceremoniously dismissed by government edict. This is a story rather familiar in post-colonial Africa. What gives ground for hope is that President Moi has for the moment triumphed.

—The Daily Telegraph (London).

This naturally conservative head of state with a strong penchant for law and order is highly unlikely to see the attempt to unseat him as a warning to ease off the repressive measures he has been taking against academics, journalists, dissenting politicians and Kenyan Asians this year.

—The Guardian (London).

Behind the Caricatures:

Begin, Preacher to the Faithful

By Norman Kempster

JERUSALEM — When Israeli Prime Minister Menachem Begin told a delegation of American contributors to the United Jewish Appeal recently that Israel's invasion of Lebanon would bring peace to the Middle East for generations to come, there was a spontaneous outburst of applause. But when Begin delivered essentially the same message to visiting U.S. Sen. Paul Tsongas, the senator characterized the speech as "disturbing."

With his oratorical style, Begin projects a total assurance that his policies are right, just and above all moral. Those who disagree are put down as evil, misguided, anti-Semitic or perhaps all three.

In Israel Begin has never been more popular. Some Israelis have doubts about the war, but opinion polls show that a majority supports him. The polls indicate that if an election were held today, he would be returned to office with a substantially increased majority.

Since Israeli troops poured into Lebanon on June 6, Begin has been the leader of Israel's effort to convince the world that the war is justified. The Israeli government blames press and television coverage for criticism of the war abroad.

Members of the Knesset have made harsh criticism of the army and the Foreign Ministry for failing to tell Israel's story in a way that would convince world opinion. An official said Begin was trying to step into the breach by "telling people in his own words and his own style what it is that he is trying to do."

Begin is a study in contrasts. The



68-year-old Polish-born leader is best known for his oratory, an often eloquent mixture of biblical quotations, historic references, innuendo, sarcasm and hyperbole. His manners are courtly, and in private conversation he can be charming. But in public debate he is a gut fighter who often resorts to personal attacks while trying to score technical debating points. Since the invasion of Lebanon, the hyperbolic strain has been predominant. Often Begin exaggerates a claim to the point of absurdity when a simple statement of fact would serve his purpose. He told the United Jewish Appeal delegation that his troops had captured enough weapons for five divisions.

Israel has captured since the start of the war a substantial store of PLO weapons, including more than 25,000 submachine guns and other

small arms, 19,000 hand grenades and 148 mortars and artillery pieces, according to official Israeli Army statistics. Those numbers are impressive, but to say they could fully equip 60,000 men is preposterous.

Nevertheless, no one in the United Jewish Appeal delegation exhibited any doubts about the claim. Nor did they seem to question a later Begin assertion that the operation in Lebanon was "the most peaceful mission in the history of mankind."

The polls show that Begin's rhetoric strikes a receptive chord in Israel, where large segments of the public clearly enjoy hearing him stand up to the United States and threaten the PLO.

To his supporters, Begin radiates strength. To his detractors, he is as irritating as a fingernail scraping down a blackboard. Whether he is a persuasive advocate of Israel's case or a demagogue depends mostly on the attitude of the audience.

Los Angeles Times

Arafat, Armed Diplomat Without an Alliance

By John K. Cooley

LONDON — In the world's media, PLO Chairman Yasser Arafat is more of a cartoon than a flesh-and-blood human being. In the Soviet bloc and much of the Third World, he is an abstract hero. In Israel, America and much of Western Europe, he is an abstract villain.

Arafat has contributed to his own bad image. One of his least compassionate interviewers, Oriana Fallaci, found him "not a man born to be liked. He is a man born to irritate."

I never found him especially irritating. I saw him first in May, 1970, in a Land-Rover emerging from dust clouds in southern Lebanon, during one of the early Israeli incursions. As he drove up, one of his aides, Abu Zaim, was arguing with a Lebanese Army colonel. Why, asked Abu Zaim, had Lebanese artillery not tried to stop the advancing Israelis?

Arafat's built-in instinct to favor diplomacy over belligerence won the day. He stepped between Abu Zaim and the colonel, both of whom were growing angry. "It's not like that," Arafat said, an eye on nearby reporters who understood Arabic.

"The Lebanese Army has its own line to defend, and we have our posi-

tions." To balance this, he added: "Of course, if we had better Lebanese artillery support, we could have given a much better account of ourselves and avoided many losses."

Few Arabs anywhere, let alone the shattered Lebanese Army, have offered anything like the real support that Arafat gave the Algerians in their eight-year war against French colonialism. Arafat knows well that political work, not terrorism, won the day for the Algerians. He would like to follow the same road if he could.

He was born of comfortable upper-middle-class parents in Jerusalem in 1929. He has always been at home with the wealthy, cultivated class of Palestinians; people like the Palestinian millionaire and Saudi Arabian resident, Habis Sabagh; or the old patrician class, like the Husseinis and the Khalidis, or men like Sami Alami, of the Palestinian-owned Arab Bank.

Although he concentrates on survival diplomacy and does not get involved in most day-to-day details of the PLO's multimillion-dollar finan-



Los Angeles Times

cial and commercial empire, or in its charities, social work or women's, student and professional organizations, Arafat's background does help him to cope with these matters.

His father died when Yasser and his brother, Fathi, who now runs the Palestinian Red Crescent, were still young. Their mother tried to keep him a peaceable schoolboy, but by 15 he was smuggling guns to the bands of Arab peasants being formed to fight the Jewish Hagannah and the Irgun and Stern Gang.

During Israel's 1947-1949 war for independence (which is called by Palestinians simply "The Catastrophe"), Arafat served in the guerrilla army of Abdel Kader Husseini. When the war was lost, Arafat and his remaining family tested the first bitterness of refugee existence in Egyptian-occupied Gaza.

Like most Palestinian families, proud of having the highest percentage of university graduates in the Arab world, the Arafats saw to it that Yasser went to school. In Egypt he avoided wine, marriage and other possible distractions, and he leads

an apparently Spartan life to this day. In 1964 the Arab League finally created the PLO, at first led by Ahmed Shukri, who delighted Israeli propagandists with his bluster about "throwing the Jews into the sea." The defeat of the Arabs by Israel in 1967 hastened Shukri's departure, after Arafat and his comrades had launched al-Fatah's first underground operations against Israel.

Today Arafat must be deeply bitter about his fair-weather friends in the Arab world and beyond who are scarcely lifting a finger for the Palestinians in their hour of need.

He believes that whatever happens to him and thousands of other Palestinians in Lebanon, the 4 million living under Israeli occupation or dispersed around the world will eventually have their homeland, living in peace and mutual recognition with their Israeli neighbors.

The writer, a staff correspondent for ABC News in London, has spent 20 years covering the Middle East and is the author of "Green March, Black September: The Story of the Palestinian Arabs." He contributed this comment to the Los Angeles Times.

Points for a Revamped, Willful U.S. Middle East Policy

By Granville Austin

WASHINGTON — Secretary of State George F. Shultz has made a good start toward a U.S. policy for peace in the Middle East by making clear his awareness that self-determination and security are the rights of both Palestinians and Israelis.

To this sound beginning should be added other essential and mutually supporting ingredients to peacemaking. These will not by themselves bring peace, but without them there can be no real progress toward peace.

• Bypass Camp David. Another route to peace needs to be found if American global security and regional interests are to be protected. Israel must continue to use loopholes in the language of the Camp David agreement to prevent genuine negotiating progress.

In deed, although not in word, Israel has abrogated the agreement. It has said it will not relinquish the West Bank, and has unilaterally redefined the word autonomy to its end. It is trying to create a quiescent government over a subject people in the West Bank and Gaza. In Lebanon it is trying to destroy the Palestinian national movement and, with it, self-determination for the West Bank and Gaza.

• Talk to the Palestine Liberation Organization. This would end the shadow boxing and tell us if its chairman, Yasser Arafat, really makes a reciprocal agreement with Israel recognizing Israeli and Palestinian rights to self-determination and security.

• Define "support for Israel." The United States is and must remain committed to supporting Israel. Yet failure to define this commitment has confused U.S. policy, divided Americans and strained relations with Israel, the Arabs and others. "Support" should mean protecting Israel's existence and helping it live in peace with consistent with the American definition of U.S. interests.

When Israel's policies endanger American security and other vital interests, as they do now, the United States must be free to put its own security first. In return for its fundamental support, the United States can reasonably expect Israeli solicitude for vital American interests.

• Level with Congress and the public. The secrecy necessary for delicate negotiations aside, Americans must see the overall shape of the administration's Middle East policy — so they can judge its fairness to all parties — if they are to support it. Extremism and ignorance of administration policies and the definition of "support" have reduced the public debate to the sterile level of whether American policy is pro-Israel or anti-Israel.

Neither American nor Israeli interests can be protected in this fashion. The debris of 15 years of executive branch cynicism, secrecy and crisis diplomacy lies all around us.

• Use leverage wisely. It is certain that there will not be peace between Israel and the Arabs

unless the United States brings them to peace through a combination of inducements and pressures. Both must be credible to each government involved, and acquiescence to this leverage must promise to serve each government's interests better than the current situation. This means that the administration will have to tell the Arabs and Israel (and Americans) where it intends to go. Sovereign nations cannot be driven into the unknown; sometimes they can be nudged and led to a brighter future.

Each use of leverage dilutes its future strength. America should not exhaust its leverage on peripheral issues. It must concentrate on establishing and sustaining negotiations to achieve a just and comprehensive peace.

• Do our own thing. Recent administrations have tended more to react to Middle East events and pressures than to pursue a firm and steady course on the Arab-Israeli dispute. For the United States to be unsure of its own position compounds the endemic uncertainties that it already faces in the region.

Shultz and the president should determine policy for peace between the Arabs and Israel, let the world know what it is, then work toward the goal vigorously. Until they do, the United States will continue to be the victim of other nations' policies and its own haphazardness.

The writer is a former embassy attaché in Beirut and State Department director of research and analysis for the Near East. He contributed this comment to The New York Times.

'The United States Will Suspend ...'

By William F. Buckley Jr.

NEW YORK — The United States has arrived at a moment when a studied reformation of foreign policy would be most helpful. If its chairman, Yasser Arafat, really makes a reciprocal agreement with Israel recognizing Israeli and Palestinian rights to self-determination and security.

What is needed in the next few weeks in particular, while George Shultz and U.S. foreign policy emerge, is the assertion of a foreign policy that is distinctly American. This does not mean a policy that relies any less on allies, but one which states exactly what it is that the United States seeks on behalf of itself.

Here are a few suggested planks: • With respect to the Middle East: Until the government of Mr. Begin reaffirms its willingness to cede the territories in the West Bank and in Gaza to demilitarized Palestinian rule, the United States will suspend future commitments to Israel's arsenal. The United States

should stand by Israel in any threat to its independence, but a line must now be sought between guaranteeing its independence and arming it so profusely as to undermine expansionism and perpetuate Palestinian hopelessness.

• In the United Nations: We will express a new relationship with a General Assembly which, as Mrs. Kirkpatrick has so eloquently shown, following similar demonstrations by Senator Moynihan and others, has evolved into an instrument of torment to the United States and other pacific powers. (United Nations frustration was probably responsible for the sundering war over the Falklands.)

Accordingly, the United States ambassador to the United Nations is instructed hereafter not to participate in any vote of the General Assembly. To participate in the debates, yes; but not in the vote. The distinction effectively

removes whatever authority the General Assembly has presumed in decreasing, for instance, that Israel is a state or that Puerto Rico is a colony of the United States.

• With respect to human rights: Policy will be reconstructed, based on the distinction years ago articulated by Sen. William Fulbright, namely, that the U.S. government (as distinguished from the American people) has no proper quarrel with the domestic policies of any sovereign country so long as that country does not seek to export those policies.

The American people are correct in any social boycott they wish to organize against, for example, the policies of Baby Doc in Haiti, and correct in denouncing such policies. The government of the United States merely recognizes de facto authority. But should Duvalier attempt to finance or export subversion elsewhere, as Cuba has done, his government becomes the explicit enemy of the United States.

Universal Press Syndicate

When Wilde Came to Leadville

By George F. Will

LEADVILLE, Colo. — Folks here are familiar with booms and busts. This town of 5,000 was once a roughneck boom town. But in 1862, with the molybdenum mine closed by recession, residents of this nicely placed place, facing the front range of the Rockies at 10,200 feet, can enjoy the view and remember better days.

One of the best was a century ago, when Leadville was larger than Denver and the famous aesthete came to lecture the locals about pretty things. Before the spring of 1860, few white men had been in this part of the Arkansas River valley. But by July, gold finds had drawn 10,000. By 1864 about 300 remained.

In the 1890s lead and silver produced a Leadville of between 30,000 and 60,000. No one knows for sure, because in those days people followed wandering stars and did not loiter. But everyone knows that a red-letter day was April 14, 1882, the day a train derailed Oscar Wilde.

He later said Leadville's miners, in their red shirts, corduroy trousers and high boots, were "the only well-dressed men I have seen in America." What those heavy fellows made of his getup can be imagined. Told that Leadville rowdies would shoot either him or his manager, he replied that he could not be intimidated by anything due to his manager.

"I read them passages from the autobiography of Benvenuto Cellini and they seemed much delighted," Wilde

recounted. "I was reproved by my hearers for not having brought him with me. I explained that he had been dead for some little time, which elicited the inquiry, 'Who shot him?'"

In another letter: "I spoke to them of early Florentines, and they slept." What is touching is the ache for refinement and self-improvement that caused communities like Leadville to import the likes of Wilde to proclaim that life without industry is sin, and industry without art is barbarism.

After the lecture, a torchlight parade took Wilde and his host, Horace Tabor, to Tabor's Matchless Mine, into which they descended in a bucket for what Wilde called a banquet: "When I quaffed a cocktail without flinching, they unanimously pronounced me in their grand simple way 'a bully boy with no glass eye.'"

Tabor was a classic Western figure, a boom-town store owner who made a fortune in silver and land, and became a senator. In the eventful year of 1882, he married a dashing divorcee. A decade later he was bankrupt. The dashing divorcee was found frozen to death in a shack beside the Matchless Mine in 1935.

Before staying a night with Jefferson Davis at his plantation, Wilde passed through St. Joseph, Mo., where people were saying "the income of an English bishop" for relics

from the house of a recently deceased celebrity, Jesse James. Before that, Wilde had visited a Nebraska prison: "Poor odd types of humanity in hideous striped dresses making bricks in the sun, and all manner-looking, which conspired me, for I should hate to see a criminal with a noble face. Little whitewashed cells, so tragically tidy, but with books in them. In one I found a translation of Dante ... Strange and beautiful it seemed to me that the sorrow of a single Florentine in exile should, hundreds of years afterwards, lighten the sorrow of some common prisoner in a modern goal."

When he arrived in America in 1882, Wilde was asked by customs officials if he had anything to declare. He replied, "Only my genius!" Fifteen years later in Reading jail, he wrote (in "De Profundis") that he had been "the spendthrift of my genius ... I forgot that every little action of the common day makes or unmakes character."

He died in his 47th year, as a new century was born. In 1900, in the Hotel d'Alsace in Paris. There, a wit to the end, he said he was dying beyond his means. A monument by Sir Jacob Epstein marks his Paris grave. At the end, after a life of boom and bust, he thought of beauty and better days, he may have recalled the rising sun striking the second highest peak in the continental United States — Mount Elbert, at Leadville.

The Washington Post

40 Years Later

Forty years ago, in order to save my life I had to disavow my name and heritage. This has left a lasting scar. Do I have to do it again, this time in shame instead of fear?

SUSAN COHEN
Cannes, France

Cluster Bombs

Regarding "Congress Told That Israel 'May Have' Broken Arms Pact" (HT, July 17): I understand that cluster bombs were developed and made for self-defense of Americans in Vietnam and not for Israelis against Palestinians in Lebanon.

F.L. MEILLER
Utrecht, Netherlands

A Pipeline Twist

Opposition to the gas pipeline has an ironically self-defeating aspect. This has left the steady supply of most NATO nations in West Germany with natural gas for heating and cooking in military barracks and living quarters for the servicemen and their families. In Bavaria about 17 percent of this gas originates in the Soviet Union. The flow has been interrupted since 1972.

ALEXANDER von DOUGOW
Würzburg, West Germany

Tobacco's Role

In response to "Cancer Statistics" (Letters, July 20): When it is estimated that "cigarettes are causing one-

quarter of cancer deaths today," this means that cigarettes are regarded as the main cause in these cases.

Many other factors are effective as well, just as smoking is assumed to make its contribution in all smokers, including those whose cancer is derived from other causes. Among cancer patients who designate themselves as "nonsmokers," many are past smokers. It has been found that among patients with gastric cancer, the majority had stopped or reduced their smoking before their admission to hospital, and often several years before admission.

Many of these "nonsmokers" probably have an acquired or inherited inability to detoxify poisonous substances in the tobacco smoke and perhaps elsewhere, an inability that may make them more susceptible to carcinogenic substances generally. This possibility should be taken into consideration when evaluating the results of statistical investigations.

A. ZACHO
Klampenborg, Denmark

So What's New?

Regarding "Food and Cancer" (HT, July 16): It appears that the medical world now agrees that a healthy diet must include "whole grain products and dark-green, yellow and orange family vegetables" daily. Congratulations to the medical facilities. But my mother brought me up on whole meal bread and green vegetables. "Old wives' know."

C.P. MATHEWS
London

AUG. 3: FROM OUR PAGES 75 AND 50 YEARS AGO

1907: Moors and the Powers

PARIS — Today's editorial reads: "After the massacre of eight Europeans in Casablanca, the moment has arrived when France, or France and Spain combined, must undertake in Morocco the work that England has accomplished in Egypt. The helplessness of the Moorish government, its incapacity not only to keep order but even to secure recognition of its own authority, needs no further demonstration. Only one of two courses of action is open to the Powers. Either foreigners should be informed that their governments are unwilling to protect them, or France, or France and Spain, must mete out drastic punishment to the Moors for the culminating outrage and render a repetition impossible."

1932: Second Veteran Dies

WASHINGTON — Bonus army casualties from the clash with police and federal troops last week within the shadow of the White House totaled two as Eric Carlson died in the hospital from gunshot wounds, while the body of William Huschka, first former serviceman to be shot down, was laid to rest in Arlington National Cemetery with full military honors. The full observance of the former serviceman's death was regarded as bringing to a close the clash that has left official Washington in an ugly temper. The civil fits were written on the incident that has cost the lives of the two veterans and a Negro policeman, when a coroner's jury exonerated the police of all blame in the deaths.

JOHN HAY WHITNEY (1904-1982), Chairman

KATHARINE GRAHAM and ARTHUR OGBURN SULLBERGER, Co-Chairmen

LEE W. HUBNER, Publisher

PHILIP M. FOISE
WALTER WELLS
ROBERT K. MCCABE
SAMUEL AYT
CARL GEWIRTZ

Executive Editor
Editor
Managing Editor
Deputy Editor
Associate Editor

ROLAND FINSON
RENE BONDY
FRANCIS DESMAISON
RICHARD E. MORGAN
Director of Finance
Director of Circulation
Director of Advertising

International Herald Tribune, 181 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, France
Telephone 747-1265. Telex 612718 (Herald), Cables Herald Paris.

Directeur de la publication: Walter N. Thayer.

General Manager, Asia: Alain Legendre. 24-24 Hennessey Rd. Hong Kong. Tel. 2-38 56 18. Telex 61170.
S.A. au capital de 1.200.000 F. R.C.S. Nanterre B 732021126. Commission Paritaire No. 54231.
U.S. subscription: \$250 yearly. Second-class postage paid at Long Island

ARTS / LEISURE

The Film According to Garp

By Janet Maslin

NEW YORK — John Irving's "The World According to Garp" wasn't a book that cried out to become a movie. But it has become one, and the movie is a very fair rendering of Irving's novel, with similar strengths and weaknesses.

If the novel was picaresque and precious, so is the film — although the absence of the book's self-congratulatory streak helps the movie achieve a much lighter, more going style. If the novel was haltingly plotted and full of far-fetched details, the film has similar trouble. And if it was finally the book's whimsical side that endeared it to so many readers, the movie is missing some of that charm. If anything, it's got a little more.

"The World According to Garp" is a gentle, intelligent film and an interesting one. But it isn't a work to which anyone is apt to have an uncomplicated response. For one thing, it may be less on anyone unfamiliar with Irving's novel. The story is simply too long and too confounding to be told in a hurry.

George Roy Hill has directed "Garp" very capably, and Steve Tesich's screenplay is generally sensitive and economical. Together, they have done their best to make the novel's concerns understandable. Though their "Garp" isn't wholly successful, their accomplishment in adapting it to the screen is admirable as they have been able to retain the novel's charm, even when it isn't following the book literally.

Beginning with an inspired title sequence of a baby Garp appearing to bounce in the sky, to the time of the Beatles' "When I'm Sixty-Four," the movie traces the entire life of its idiosyncratic hero. He is seen as a boy (played by James McCall) living at the prep school where his mother (Glenn Close) is a nurse, as a teen-ager (played from this point on by Robin Williams) courting the prim girl (Mary Beth Hurt) he will eventually marry; as an aspiring writer; as a successful one; and as a devoted father who likes nothing better than to peer at his children when they are sleeping. Finally, he is seen as a man who must endure the coming to pass of all the dark premonitions that have ever plagued him. Though its characters boldly declare that life is an adventure and should be lived as one, there is little in "Garp" to bear out their optimism. The last half-hour of the film is almost unrelievedly sad.

But the early portions, those depicting Garp as a young man, are filled with hope. Garp's artistic side, described so overbearing in the novel, is presented sweetly and playfully. There's an animated segment of Garp trying to imagine what his father and a later fantasy sequence showing how Garp the writer might make up a short story. Hill abandons this tack after a while, but he might well have sustained it throughout the film, since it helps make Garp's much-praised talent seem believable.

One of the film's strengths is its graceful way of bringing some of Irving's most far-fetched inven-

tions to life, among them Garp's fiercely feminist mother and the Ellen Jamesians, who are more or less her disciples. The Ellen Jamesians are feminist extremists who have cut out their tongues to protest the rape of a little girl, even though the girl (grown up to be Amanda Plummer, who is quite striking in her brief cameo appearance) wishes they would stop. The novel hedges about inventions like the Ellen Jamesians, as well it might; Irving appears to be ridiculing and embracing feminism simultaneously. The movie wisely minimizes their importance and makes them much easier to take. The Ellen Jamesians simply hover around the sidelines of Garp's mother's household, part of the film's tacitly absurd scenery.

Pacing Problems

"Garp" is well-staged scene by scene, but the overall movie has pacing problems. Its story consists of tiny events and wildly intermediate to connect them. And the story merely progresses, rather than builds. One realizes sadly, about halfway through, that nothing much is going to develop naturally, and that anything strongly dramatic that happens to the characters will have to be grafted on.

The movie is accordingly choppy, and full of snippets that don't always amount to much. At one point, when Garp wants to go watch his children sleep, the audience may wonder what the children will look like when he sees them. They've been growing abruptly in each of the few preceding scenes, and nothing about the film's uncertain rhythm indicates how much time is supposed to have elapsed.

Williams is at his most affecting with the children; he makes a fond, playful father, a man perfectly at home in a suit of armor made of welcome mats and garbage can lids. Williams's role is a demanding one, calling on him to age from a teen-ager to a family man, a process he has trouble with. His performance is engaging but erratic, more effective in the clownier, busier scenes than in those that ask him to recite lines or stand still. He is much less compelling at rest than he is when free to represent Garp through action. When the role doesn't call for movement of some kind, he falters.

The rest of the film is expertly cast. Close, John Lithgow and Hurt are particularly excellent, as is Swoosie Kurtz in a brief role as a tough prostitute radicalized by Garp's mother. Close performs miracles with the toughest of the story's many difficult roles: Garp's mother, an entertaining but largely unbelievable caricature in the novel, becomes a full-blooded woman without losing one bit of her crazy conviction.



Kathleen Battle as Despina in "Così fan tutte."

A Memorable 'Così' at Salzburg

By David Stevens

SALZBURG — This year's new production of "Così fan tutte," the ninth in the 50-year history of this opera at the Salzburg Festival, could turn out to be one of the most memorable. Handsomely sung and played, dramatically balanced, and as ambiguous as the Mozart-da Ponte collaboration itself, it was an almost constant pleasure at the premiere.

Balance is omnipresent — between theater and reality, between the characters as types and as individuals, between cynicism at the wiles of feminine fidelity and conviction in the deep emotional forces it sets loose. In Michael Hamppe's staging, all these are present, yet none is allowed to get the upper hand.

As the audience enters the Kleines Festspielhaus the curtain is open on Mauro Pagano's set, then closed for the overture. At the end of the first scene the tokens of the bet — a bag of coins and a bottle of wine — are put on the prompter's box and left there. At the end, when the emotional turbulence of partner-swapping is almost out of hand, the characters break the spell and address the audience.

Balance is the word too for the musical direction of Riccardo Muti, inheritor of the postwar near-monopoly on this work at Salzburg by the late Karl Böhm. While Böhm seemed to arrive at convincing tension spontaneously, Muti did so through evident deliberation and control, giving the singers generous room for expression, yet keeping a tight rein on the ensembles and building the climaxes with finely honed precision.

Occasionally in the first act Muti chose uncomfortably slow tempos in the arias, and he took such a long pause before the da capo of "Un'aura amorosa" that the audience broke in with untimely applause. But, on the whole, all unfolded with deceptive ease, and the Vienna Philharmonic was on its best behavior, brilliant in the finales and meltingly seductive in the serenade-like passages.

Gone are the days when Vienna could supply Salzburg with a ready-made Mozart ensemble. This year's cast was an international sextet of singers mak-

ing festival debuts in their roles. They formed a smooth ensemble, but with some imbalances that should be ironed out with time.

Margaret Marshall, a Scottish soprano who has sung Mozart under Muti in Florence, sailed through Fiordiligi's music with astonishing ease, but she used her lyric coloratura with little dramatic impact, so was overshadowed theatrically and vocally by the expressive Dorabella of Agnes Baltsa, the Greek mezzo soprano of the Vienna State Opera.

Similarly, in the roles of the women's lovers, James Morris' vigorous, vocally powerful baritone as Guglielmo outweighed the attractive but somewhat tentative vocalism of the tenor Francisco Araiza as Ferrando. The American soprano Kathleen Battle made a winning Salzburg debut as Despina, more earthy than perky, while José van Dam's superb baritone and stage experience made his Don Alfonso a dominant figure, no behind-the-scenes manipulator but a weighty presence.

Perhaps Hamppe's direction can fine-tune some of these imbalances, but for the most part his staging was refreshingly straightforward and uncomplicated, and while he permitted himself an occasional joke — such as Guglielmo momentarily forgetting himself and addressing the wrong woman — there was no overloading of gags.

Pagano's sets were equally uncomplicated, richly colored and atmospheric. The shimmering water and background vistas made this a plausible Bay of Naples, and the splendid lighting — sometimes reminiscent of the light-and-shadow play of the celebrated Strehler-Damiani "Seraglio" production here — suggested the passage of a single Mediterranean day from the waning in the cold light of morning to the denouement against a starry sky. His costumes were handsome, too, with the return of the men as fake Albanians introducing an exotic wine-red note into pastel surroundings.

This "Così" is already a delight. More important, it should wear well on both eye and ear, and while, at Salzburg prices, no one is interested in work-in-progress, all the material is at hand for it to age well.

'Dragonflies' a Hit At Trieste Festival

By William Weaver

International Herald Tribune

TRIESTE, Italy — Trieste has a long and distinguished musical tradition, which, like so many other aspects of this polyglot city, is a mixture of Italian and Austrian strains. Verdi composed for the local opera house; Mahler conducted the local orchestra. This background may explain the immense success of Trieste's annual operetta festival, where the Italian language and a certain Austrian taste mingle.

Began in 1950, the festival gave outdoor performances at the Castello di San Giusto for its first decade. Then, in the 1970s, it moved indoors to the spacious Politeama Rossetti. But that great hall has been declared unsafe, so the festival is now given in the opera house, the Teatro Verdi.

The current production is of special interest, since it represents an unusual collaboration between the Austrian (Hungarian-born) operetta king, Franz Lehár, and his Italian counterpart of 60 or 70 years ago, the Neapolitan Carlo Lombardo. Though it is always listed as a Lehár work, "La Danza delle Dragonflies" (The Dance of the Dragonflies) contains a lot of music by Lombardo, who fashioned

the work, in 1920, from an earlier Lehár piece, "Der Sternhucker" (The Stargazer), which had been a total failure.

After buying the Italian rights, Lombardo — librettist and composer of several Italian operetta hits — wrote a completely new text, cut, spliced, changed, and added to the score. The result, presented at the Teatro Lirico in Milan on May 3, 1922, was a triumph. It was then translated back into German and, as "The Three Graces," was a success in Vienna, Paris, London and New York.

The Trieste production explains this success. The music combines Lehár's Viennese elegance and languorous charm with a more Mediterranean brashness. One of the big showstopping numbers is a duet with ballet for the comic leads, a Paris finale, whose words begin, "It's night, the apache invites you, O Gigolette." This is clearly the work of Lombardo, while the more tender love duet for soprano and tenor, "Perhaps my destiny," has all the qualities of Lehár's finest songs. Naturally, the story, about a French duke and a champagne heiress, mysteriously set in Scotland (largely to allow an elaborate Highland-fing number in the last act) is ridiculous, but no more so than the music.

The comic Sandro Massimini, a great favorite with the Trieste audience, was the acknowledged star of the production. He has a firm hold on the public, and knows how to "play" the admiring house. The soprano Daniela Mazzucato (who can be heard at La Scala as Lili in "Turandot") revealed an admirable comic flair, as well as a spectacular and agile pair of legs. The tenor Max René Cosotti (often appearing at Glyndebourne) was romantic and stylish, and Aurora Banfi, as the brassy, sexy Carlotta Pommery, was delightful.

Once or twice the comedy went on a bit too long, but the music conquered all, lovingly played by the opera house orchestra under the local conductor, Guerrino Gruber.

Cultural Festival Planned for '84 Summer Olympics

United Press International

LOS ANGELES — In keeping with a tradition from ancient Greece, when there were Olympics competitions for dramatists as well as discus throwers, the organizers of the 1984 Summer Olympics are arranging athletic events to accompany the athletic.

There will be exhibitions of dance, painting, theater, music and photography, with dance given pride of place as the art form most closely associated with athletics. Eleven dance companies — including the Dance Theater of Harlem, the Winnipeg Ballet and the Merce Cunningham and Twyla Tharp companies — have been invited to an eight-week dance festival.

If all goes well, a new opera by the avant-garde composer Robert Wilson will have its world premiere. Films, Hollywood's annual movie festival usually held in the spring, will take place during the games instead.

The organizing committee has commissioned 15 artists, including Robert Rauschenberg and Roy Lichtenstein, to create posters for the games that are expected to be available in January.

FLASH NEW YORK
Departure 07h from Paris.
Return 20h to Paris.
2330 F
JET EVASION
260.30.85
Marie France
205, rue St-Honoré, 75001 Paris

New Anthem Downplaying Victory Angers Traditionalists in Britain

United Press International

LONDON — A new Church of England version of the British national anthem, "God Save the Queen," defying several references to the queen triumphing over her enemies, has met with angry protests.

In a 10-year project, the church is aiming to update some of the archaic language found in its 300 hymns.

Viscount Cranborne, 35, a Conservative member of Parliament, said, "The Church of England is now peopled by buffoons. Hide-bound old traditionalists like me will continue to sing the original version whatever these people may do."

The Rev. Michael Savard, editor of the revisions, said the changes were meant only as an alternative. The old version is still in the hymnal, he said. "We think we have produced better verse. The words are in no way a diminution of respect for the queen," he said.

The mid-18th-century language of the original version says, for instance: "Scatter our enemies and make them fall. Confound their politics, frustrate their knavish tricks." The new version says: "Give us your faithfulness. Keep us from selfishness. Raise us to godliness."

John Stokes, a Conservative member of Parliament, said, "These people are ashamed of being born Englishmen and are full of guilt and want to water everything down they can."

Russia Tells Newsweek Correspondent to Leave

By Michael Dobbs

Washington Post Service

MOSCOW — The Soviet Union announced Monday the expulsion of the Moscow correspondent of Newsweek magazine — the first such action against an American journalist in five years.

The journalist, Andrew Nagorski, 35, who has represented Newsweek here for the past 14 months, was summoned to the Foreign Ministry Monday morning and accused of using "impermissible journalistic methods." His accreditation was confiscated and he was told to leave the country as soon as possible.

Mr. Nagorski rejected the charges against him, which included posing as a Soviet journalist while visiting a provincial city, violating travel regulations for foreigners, and pretending to be a Polish tourist in order to gather information. The allegations date from October but he had received no previous warning.

The last expulsion of an American journalist was in 1977 when correspondent for the Associated Press, George Krinsky, was accused of espionage and violating currency regulations. Earlier this year, the Soviet government confiscated the accreditation

card of an American Broadcasting Co. correspondent, Anne Garrels, after she was involved in a traffic accident in which a man was killed. She was not formally expelled.

Mr. Nagorski said he was told to report to the Foreign Ministry after returning to Moscow from a trip to the town of Krasny Sever near the Soviet border with Afghanistan. While in the region, he and a reporter for the Chicago Tribune, Jim Gallagher, were accused of attempting to visit a border town called Kurbanvayub, which is closed to foreigners.

The two journalists, however, said they had informed the Foreign Ministry in advance of their travel plans — as required by Soviet law — and had not received any objections.

Mr. Nagorski, whose family is of Polish origin, said that the charge of posing as a Polish tourist appeared to stem from a visit to the western city of Rovno in June. Some local residents had mistaken his accent for that of a Pole — but he said he had not attempted to hide the fact that he was an American reporter.

Announcing Mr. Nagorski's expulsion, Tass said he had posed as deputy editor in chief of a newspaper in the town of Volodga by using the Soviet journalist's visiting card. Mr. Nagorski said he suggested to police who had stopped him for photographing a street scene that they ask the editor to vouch for him.

"The allegation that I tried to pass myself off as a Russian journalist is ludicrous. It would be easy for anyone to tell from my accent that I am not a Russian," Mr. Nagorski said.

3 U.S. TV Stations Accused of Selling Kits as 'Cancer Tests'

The Associated Press

LOS ANGELES — Three CBS-owned television stations are under scrutiny by a federal agency for selling stool-sample kits to 275,000 viewers as "cancer tests."

A spokesman for the stations says the kits saved the lives of "dozens of people."

The Los Angeles Times reported Sunday that KNXT-TV in Los Angeles, WBBM-TV in Chicago and WCBS-TV in New York are being investigated by the Food and Drug Administration for a possible technical violation.

The newspaper said the inquiry focuses on whether the tests were relabeled illegally as cancer tests.

It is unlawful to sell medical items and characterize them as suitable for a purpose not authorized by the FDA. If a violation is found, the probable penalty would be a written admonition, the Times reported.

The three stations sold Hemocult II test kits for a small fee as part of news reports on rectal and colon cancer, the newspaper said. Results from WBBM, which promoted the tests in 1978, showed that 54,000 viewers had asked for

the kits, 14,000 had returned them for processing, and 617 had turned up with a positive response. Of the 617, there were 27 who actually had cancer, the newspaper said.

Jeff Erdel, a CBS spokesman in New York, said the tests saved "dozens of people" and were distributed in New York and Chicago with the help of local cancer-fighting organizations. The stations made no profit on the tests, he said.

The test requires a person to dab small amounts of feces on a test slide and send it to a laboratory. The test determines if there is hidden blood in the stool, which could indicate the presence of cancer.

International Restaurant Guide

FRANCE

PARIS - RIGHT BANK

LE BOEUF 96, r. de la Boétie, 225.37.19. Closed Sun. The friendly bistro of the Champ-Élysées. Hours: 7-10 p.m.

L'EUROPEEN 10, rue de la Harpe, 225.37.19. Daily from 11 a.m. to 2 a.m. SAUVAGE AND TRADITIONAL CUISINES.

LE NOAILLES 63, r. de la Harpe, 225.37.19. Daily from 11 a.m. to 2 a.m. SAUVAGE AND TRADITIONAL CUISINES.

LES TROIS LIMOUSINS 63, r. de la Harpe, 225.37.19. Daily from 11 a.m. to 2 a.m. SAUVAGE AND TRADITIONAL CUISINES.

TROIS MOUTONS 63, r. de la Harpe, 225.37.19. Daily from 11 a.m. to 2 a.m. SAUVAGE AND TRADITIONAL CUISINES.

PARIS - LEFT BANK

ASSIETTE AU BEURRE 11 rue St-Jacques, 225.37.19. Daily from 11 a.m. to 2 a.m. SAUVAGE AND TRADITIONAL CUISINES.

LE FLAMAND ROSE 19, r. du Regard (off 548.37.27). Open all summer. Lunch, dinner, late supper until midnight. Cl. Sat. noon & Sun.

LA PETITE CHAISE 26 Rue de Grenelle, 225.13.33. Menu: Fr. 62. Refr. cuisine. Historic setting. Open daily until 11 p.m. Open August.

GREECE

ATHENS/PSYCHIC

DIOSCURI 16, D. Vassilou, Neo Psychiko (4 km. north of Athens). Greek food, charcoal grill. Tel. 671.9977. Daily 8:15 p.m.-2 a.m. Closed Sun. Tel. 671.9977.

SWITZERLAND

PULLY - LAUSANNE

AU VIEUX CAVEAU Baggins dining in charming old Swiss atmosphere; bar & v.d. dancing. 11, Rue de la Gare, Pully. 021/28 27 49.

INTERNATIONAL EXECUTIVE OPPORTUNITIES

To achieve the objectives of the 10-year plan adopted by the Intergovernmental Conference of February 1981 at Brussels, and to respect the wishes of the present Director General to concentrate on programme development work, the Executive Committee of the International Baccalaureate is seeking a:

DIRECTOR GENERAL OF THE INTERNATIONAL BACCALAUREATE OFFICE

Candidates for this post should have the following qualifications:

- fluency in English and French; a knowledge of Spanish is an advantage;
- an acute understanding of human relations, particularly in the international sphere;
- a natural authority and demonstrated competence in administrative management;
- considerable pedagogical experience;
- be aged between 35 and 50 years old.

The post is located in the headquarters of the International Baccalaureate Office in Geneva (Switzerland).

Applications should be sent before the 15th October 1982, to Monsieur Emile Blanc, Secrétaire du Conseil de Fondation de l'Office du Baccalaureat International, Palais Wilson, 1211 Geneva 14.

More detailed information concerning the International Baccalaureate, the post description and conditions of employment can be obtained from the same address.

FRENCH COMPANY HANDBOOK 1982

published by International Business Development with the International Herald Tribune

Up-dated edition. 192 pages of detailed information in English on 74 of the most important French companies. Includes basic facts on other major firms, information on the French economy and major sectors of activity.

Profiles include detailed information on: management, major activities, sales breakdown, major known shareholders, subsidiaries and holdings, 1976-1980 financial information, important developments and 1981-1982 highlights and trends.

Indispensable for corporate, government and banking executives, institutional investors. Order today! \$38 per copy, including postage in Europe. Five or more copies may be ordered at a 30% reduction. Outside Europe, please add postal charges for each book ordered: Middle East, Africa \$4; Asia, the Americas \$7.

AEROSPATIALE - ALSTHOM - ATLANTIQUE - AUXILIAIRE - D'ENTREPRISES - AVIONS MARCEL DASSAULT - BREGUET AVIATION - BANQUE NATIONALE DE PARIS - BANQUE DE NEUCHÂTE - SCHLIMMINGER, MALLET - BEGRIN-SAY - BONGRAIN - BOUYGUES - BSN-GERVAIS - DANONE - CAMPENON BERNARD - CARREFOUR - CHABRONNAGES DE FRANCE - CHARGÈRES REUNIS - CITI HONEYWELL BULL - CITI - ALCATEL - CLUB MEDITERRANEE - FOLAS - COMPAGNIE DE FIVES - LILLE - COMPAGNIE FRANCAISE DES PETROLES - COMPAGNIE GENERALE D'ELECTRICITE - COMPTON GENERALE DES EAUX - COMPAGNIE LA HENIN - COMPTOIRS MODERNES - CREDIT AGRICOLE - CREDIT COMMERCIAL DE FRANCE - CREUSOT-LOIRE - DOLLFUS-MIEG - DUMEZ - ELECTRICITE DE FRANCE - ELF	AQUITAINE - EUROPARIS - FOUCAULT - GENEVALE DISCUT - GRANDS TRAVAUX DE MARSEILLE - GROUPE DES ASSURANCES NATIONALES - GROUPE VICTOR - IMETAL - LAFARGE COPIER - LEGRAND - L'ORÉAL - LYONNAISE DES EAUX - MARSON PHOENIX - MATRA - MERLIN GERIN - MICHELIN - MOUT-HERNNESSY - PECHINEY - RICHARD - PEUGEOT - POCLIN - POULET - LA REDOUTE - RHONE-POULENC - ROUSSEL-ULF - SAINT-GOBAIN - SAF - SKIS - ROSSIGNOL - SNECMA - SOCIETE GENERALE - SOCIETE GENERALE D'ENTREPRISES - SOMMER - ALLIANCE - SPT-BATIGNOLLES - TELECOMNAT - THOMSON - BRANOT - THOMSON-CP - TRT - UNION DES ASSURANCES DE PARIS - UNOR - VALEO - VALLOURE
--	--

Mail coupon with your check for \$38 (plus postage where applicable) to the order of International Herald Tribune, Publications Division, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

Please send me _____ copy(ies) of French Company Handbook. Enclosed is payment of _____ including postal charges.

PLEASE PRINT
Name _____
Company _____
Title _____
Address _____
City/Country _____

U.S. to Tighten Curbs On Lead in Gasoline

By Sandra Sugawara

Washington Post Service

WASHINGTON — Following intense protests, the Environmental Protection Agency apparently has done an about-face on the issue of lead standards for gasoline, and is preparing to tighten, rather than relax, the restrictions on leaded gasoline.

EPA sources predict this would reduce the amount of lead in the air by 31 percent more than the current standards over the next eight years.

"EPA has determined that relaxing the present lead standard would result in an increase in lead emissions to the atmosphere," and "environmental lead exposure continues to be a national health concern," EPA explained in a notice to be printed in the Federal Register.

An earlier agency proposal to relax the standards, made public in February, brought a storm of denunciations from health-interest groups and environmentalists.

Effect on Children

Ellen Silbergeld, a toxicologist with the Environmental Defense Fund, said, "We're very pleased that they withdrew the February proposal."

Lead, long known to have adverse health effects, particularly on children, is added to gasoline to raise the octane level.

be more than 0.5 gram per gallon (gpg) of all gasoline (leaded and unleaded) they produce. For small refiners the limit ranges from 0.8 to 2.65 gpg, depending on the size of the operation.

This system allows a refiner to increase the amount of lead it adds to its leaded gasoline each time it increases its volume of unleaded gasoline. Recent studies indicate that the overall amount of lead in gasoline has been rising, partly because of this system.

Special Status

EPA's new proposal would regulate the lead in leaded gasoline only. Large refiners would be permitted to add 1.1 gpg, and small refiners would be allowed to add 2.5 gpg.

This would force most large companies to cut back on lead usage, but EPA noted that it might allow some companies that have never produced much unleaded gasoline to increase the amount of lead they use.

Small refiners have enjoyed a special status under the old regulations, but that status is scheduled to expire Oct. 1. The change would reduce the number of firms eligible for the special status from about 159 to 74, according to EPA officials.

They expect the change to cut off a majority of the so-called blenders, who add large quantities of lead to inexpensive gasoline components. The blenders are considered a major source of airborne lead.

Herald Tribune

BUSINESS / FINANCE

TUESDAY, AUGUST 3, 1982

Page 7

BUSINESS BRIEFS

Mellon, Girard Banks to Merge

PITTSBURGH — Mellon National Corp. and Girard Co. have signed a definitive agreement to merge the two Pennsylvania-based banking companies, it was announced Monday.

Girard, the holding company for Philadelphia-based Girard Bank and Girard Bank Delaware, will merge into Mellon National, the parent corporation of Mellon Bank.

Under the agreement, Girard shareholders would receive for each Girard share 0.55 share of Mellon common and 0.38 share of a new class of Mellon \$25 preferred. Girard had about 5.7 million common shares outstanding and Mellon National had about 19.67 million common shares outstanding as of June 30.

Mellon Bank, which is ranked as the 15th largest U.S. commercial bank, had assets of \$18.4 billion at the end of 1981 and domestic deposits of \$8.8 billion. Girard had assets of \$4.8 billion at the end of 1981 and domestic deposits of \$2.6 billion.

Official Firm in Telefunken Case

BONN — The president of West Germany's central office, Wolfgang Karre, says there is no question of bending merger rules to allow Grundig to buy a majority stake in Telefunken.

He said Sunday in a radio interview, "The law says absolutely clearly that we must say no if market domination will be brought about or heightened by such a merger." He said that ABG, which currently owns Telefunken, has ties with Japanese companies and that Grundig is linked to Philips of the Netherlands.

He said that the planned deal will insure the survival of Telefunken but that making the decision on it will be like "walking a tightrope."

New Deposits at U.S. S&Ls Decline

WASHINGTON — New deposits in U.S. savings and loan institutions fell \$3.2 billion in June after a decline of \$302 million in May, the Federal Home Loan Bank Board said Monday.

Although savings received \$41.2 billion in new deposits during the month, withdrawals totaled \$44.4 billion. It was the 16th time in 18 months that withdrawals have exceeded new deposits.

S&Ls wrote \$4.8 billion in mortgage loans in June, a \$1.1 billion increase from May but 18 percent lower than in June, 1981, the board said.

Grace Sets Biotechnology Spending

NEW YORK — W.R. Grace & Co. said Monday it expects to spend about \$50 million over the next five years on biotechnology research directed toward specialty chemicals.

The company said it also is considering acquisitions in the biotechnology field, but it gave no details. The company said it plans to work with universities and research centers throughout the world.

It said it has signed a contract to fund up to \$8.5 million of research projects in microbiology over the next five years with Massachusetts Institute of Technology.

Eurodollar Rates Fall, Spurring Bond Issues

LONDON — Eurodollar deposit rates fell to their lowest level of the year Monday, and four U.S. companies were spurred by strong demand to come to the Eurodollar market with new bond issues totaling \$360 million.

Overnight Eurodollars opened at 1 1/2 percent, down from 1 3/4 percent last Monday, and continued to fall throughout the day, closing at 1 1/4 percent. Dealers attributed the decline to the U.S. Federal Reserve Board's cutting of its discount rate to 11 percent late Friday.

Prices on dollar-denominated Eurobonds climbed as rates fell. Seasoned issues were up an average of one point, after opening gains of up to 7/8 point, dealers said.

Newer issues firmed. Newer issues were also firmed despite widespread predictions of an avalanche of new bonds this week, the dealers added. The \$100-million bond for IBM, issued last week with strong response, remained in favor Monday, rising 1/4 point to 10 1/2.

Among Monday's new issues, interest focused on a \$50-million seven-year issue for American National Resources led by Goldman Sachs. The notes, issued through two overseas subsidiaries, carry a coupon of 15 1/2 percent and are callable at par beginning in 1987.

Similar to last week's IBM issue, the notes were issued with warrants each entitling the holder to buy a seven-year, 15 1/2 percent, noncallable bond. The warrants have an unusually long five-year life.

The company's U.S. debt is single-A-rated by Standard & Poor's. In June, American National Resources withdrew a \$60-million, seven-year bond with indicated terms of 15 1/2 percent and a price at a slight discount because to poor market conditions.

The company, which has interests in gas, coal and cracking, is hardly as well-known in Europe as IBM, but its warrants, like those of the computer giant, generated enthusiasm for the bonds. The issue was trading on the gray market at 99 1/4 late Monday. The warrants were quoted separately at \$40 each.

A buyer could therefore sell the warrant, reduce the total cost of the note to 95 1/4 and thus raise the yield to almost 16 percent.

Credit Suisse First Boston led a \$150 million 10-year Eurobond for

Battle Lines For Computers Drawn in U.S.

By Michael S. Malone
New York Times Staff

SAN JOSE, Calif. — It may seem that the battle for the personal computer market in the United States is all but over, with victory to be shared by such makers as IBM, Apple and Radio Shack. But industry analysts say the real war in the personal computer market is probably just beginning, and will last until the middle of the decade.

The battle is erupting now, analysts say, because Japanese and, to a lesser extent, European electronics companies have taken advantage of recently established hardware standards, a growing supply of good software and extensive independent distribution networks. The makers from abroad, encouraged by the successes of the U.S. personal computer industry, are just now bringing their products to the United States.

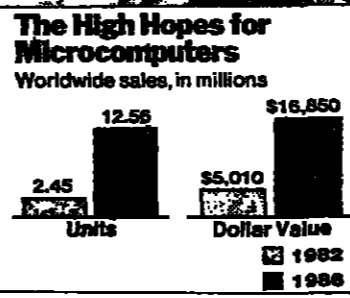
"There is going to be a big battle," said David Burack, West Coast managing editor of Electronics Design Magazine. "The Japanese know that the United States is the world's largest market for personal computers and so they are going after it first."

Those companies that can offer the most useful software and the best customer service and support, not necessarily the most powerful hardware or the lowest price.

An estimated 60 to 70 Japanese electronics companies have entered the market for per-



The new personal computer by IBM set the hardware and software standards.



sonal and small-business computers in Japan and as many as 20 of these may challenge in the U.S. market in the next few months.

Nippon Electric, Toshiba, Sharp, Canon and Oki have already arrived in the United States. And Sony introduced its desktop mi-

Most Major Banks in U.S. Cut Prime to 15%

Compiled by Our Staff From Dispatches

NEW YORK — Most major U.S. banks, responding to the Federal Reserve's cut late Friday in the discount rate, Monday lowered their prime rate a half point to 15 percent — its lowest level in 20 months.

Among the banks moving to the 15 percent prime were Citibank, Chase Manhattan, Chemical, Morgan Guaranty, Continental Illinois, Manufacturers Hanover, Bank of New York, Irving Trust and First National City.

Mellon National Bank of Pittsburgh led the move late Friday by lowering its base loan charge. Also, the Federal Reserve Friday cut its discount rate to 11 percent from 11 1/2 percent, the second such cut since July 19.

The discount rate is the interest on loans by the Fed to banks and savings and loans. The prime rate is the base upon which banks compute interest charges on short-term business loans.

The 15 percent prime rate is the lowest since Nov. 5, 1980, when it was at 14 1/2 percent.

The prime rate reduction, the second within two weeks from 16 1/2 percent, also resulted from the Fed's report Friday of an \$800 million decline in the U.S. money supply in the latest statistical week.

Fed Funds Lower

The prime cut reflected sharp declines in the banks' costs of obtaining money for lending and investment.

Federal funds — overnight loans among banks — traded as low as 10 1/4 percent without Fed intervention. Fed funds averaged 11 1/4 percent on Friday.

The money supply growth rate has come down to Fed targets within recent weeks and set the stage for the interest-rate declines.

Norman Robertson, chief economist at Mellon Bank, said the

prime rate could dip another full point within the next few weeks.

"I think that it really reflects the fact that the economy is still just very weak at the moment," Mr. Robertson said. "There's been no really visible sign of an economic recovery."

"We feel strongly that by lowering the prime lending rate we can make a contribution to the economic recovery process. Obviously, one of the reasons that the economy has been so weak in recent months has been the persistence of very high interest rates."

Treasury Secretary Donald T.

Regan said Monday he was encouraged by the drop the prime rate.

"It is fascinating that they have come down this quickly," he told the Senate Finance Committee.

While short-term rates are expected to continue falling over the near term, analysts are uncertain how long the trend will last because the government has to borrow heavily to cover record budget deficits.

"While the market is very optimistic at the moment, the environment ahead still seems more conducive to rate increases than de-

creases," said Philip Braverman of Chase Manhattan Bank. He cited "a virtual credit blizzard of \$100-110 billion of Treasury cash financing in the second half" plus the likelihood of an economic recovery with faster money supply growth as reasons for expecting higher rates.

Faster money supply growth in August or September, combined with a growing economy, would likely cause the Fed to make credit less available in the banking system, Mr. Braverman said. That would imply an increase in short-term rates.

EEC to Offer More Cuts in U.S. Steel Exports

By Philip Stephens
Reuters

BRUSSELS — The European Economic Community agreed Monday on a new offer to cut steel sales on the U.S. market, amid signs that its bitter trade dispute with Washington may be close to a settlement.

After preliminary talks with U.S. officials in Brussels over the weekend, both sides described the discussions as positive.

Diplomats said the 10 EEC members were ready to reduce their share of the U.S. steel market to 5.8 percent for the next three years, compared with a 6.4 percent share in 1981.

The United States has sought a 5.67-percent limit on the 11 major steel products to be covered by an agreement, which would allow Washington to withdraw anti-subsidy duties on European steel imports, they added.

EEC Industry Commissioner Etienne Davignon plans to take the offer Tuesday to Washington, where he would try to reach at least an outline accord in talks with U.S. Commerce Secretary Malcolm Baldrige, the diplomats said.

The contentious duties were imposed provisionally in June after U.S. steelmakers complained their U.S. sales were being harmed by European steel sold at unfairly low prices. The final deadline for an agreement on the export levels is Aug. 24, when the provisional duties are due to become definite.

A proposal in mid-July by four EEC states to cut exports by 10 percent was swiftly rejected by the United States and the diplomats cautioned against undue optimism in the current talks.

The Reagan administration is under strong pressure from its own steel industry, which has to agree to any agreement, the diplomats said.

They also said a dispute between European steelmakers over sharing the proposed cuts could create severe problems.

There were indications that a compromise could be reached on the range of products to be included in any accord, they said.

The diplomats said that Mr. Davignon told a meeting of government trade experts in Brussels on Monday that the United States had apparently modified its insistence that steel pipes and tubes be added to the 11 products to be covered by an accord.

However, even though Washington might accept an informal agreement that Europe would not increase its share of the U.S. market for pipes and tubes, Mr. Davignon had no mandate from the EEC member governments to agree to such an arrangement for these products, the diplomats said.

The question of whether pipe and tube exports should be curtailed could delay a settlement of the steel dispute until after Aug. 9, when the Reagan administration is to rule on further suits against European steelmakers.

The internal EEC dispute arose from the insistence of West Germany, the Netherlands and Luxembourg — whose exports were found to be relatively unsubsidized by Washington, and have had to pay only minor import duties —

N.Y. Stock Prices In Broad Advance; Dow Gains 13.51

Compiled by Our Staff From Dispatches

NEW YORK — An afternoon rally caused prices on the New York Stock Exchange to close sharply higher Monday, with blue chip and bank stocks the star performers.

The Dow Jones industrial average turned in an erratic performance, rising 6 1/2 points in the first half hour, easing to a gain of less than three at midday and then climbing again to close up 13.51 at 822.11. Advances led declines by a 10-to-3 margin, and volume rose to 53.5 million shares from 39.3 million yesterday. Volume in the final hour was more than 12 million shares.

Analysts said the initial spark for the uptrend was a cut late Friday by the Federal Reserve in its discount rate to 11 percent.

The action triggered a drop in the prime rate to 15 percent from 15 1/2 percent by most major banks.

The Fed also reported the nation's supply dropped \$800 million in the latest reporting week, keeping its growth within targets and allowing some credit relaxation.

But analysts said investors are still concerned that the lower interest rates are only temporary. These concerns caused the market to lose its upward momentum in mid-morning, according to Monte Gordon of Dreyfus Corp.

"The rate declines are suspect in terms of duration. Investors do not think they will last," Mr. Gordon said. He also said investors are aware that rates are dropping because of the weak economy, which means corporate profits could also fall.

Michael Metz of Oppenheimer & Co. attributed the late resumption of the rally to continued strength in the bond market as well as a pick-up in bank stocks, which have posted steep declines recently.

But he said the relatively light volume makes the rally suspect, even though advancing issues

overwhelmed declines. "There are still a lot of skeptics out there who think the market may yet test its lows."

Mr. Metz added that "there is no unanimous optimism on the outlook for either interest rates or the economy."

The Commerce Department reported Monday that construction spending rose 1.3 percent in June to a seasonally adjusted annual rate of \$230.7 billion after a revised gain in May of 0.7 percent. Initially, the department said spending rose 1.3 percent in May.

June construction spending was down 2.9 percent from a year earlier, the department also said.

In a separate report, the department said new orders received by U.S. manufacturers fell \$464 million, or 0.3 percent. The decline followed a revised 1 percent May increase. Initially, the department said orders rose 1.5 percent in May.

Commerce Secretary Malcolm Baldrige reportedly said he expected slower second-half economic growth than the administration's projection of a 4.5 percent jump in the gross national product.

So do many other analysts who noted the government's June index of leading economic indicators was unchanged after two months of increases and that just about every measurement of output was down.

On the NYSE floor, Cities Service was delayed in opening, but when it did, just before the close, it was off 10 1/4 at 44. It closed at that level. Gulf Oil, trading for the first time since last Wednesday, closed up 1/4 at 26 1/4. Gulf said it was keeping its options open on its proposed merger with Cities Service, which the Federal Trade Commission is trying to block.

Statistics Index

AMEX prices	P.2	Five Year Notes	P.2
NYSE prices	P.2	Gold Markets	P.2
Commodity prices	P.2	High & Low	P.2
Commodity futures	P.2	Market Summary	P.2
Dividends	P.2	U.S. Money Rates	P.2
Earnings reports	P.2	OTC Stocks	P.2
Euro-rates	P.2	Other Markets	P.2

OLDER GRAND HOTEL ZURICH

A house of tradition
an outstanding reputation for the very highest standard

Rue de Gendre, 10
Kunstmuseumstrasse 65, CH-8002 Zurich
Telephone: 01/51 02 02
Telex: 53446 grand ch

Canada Seeking \$2 Billion Loan, Bankers Say

Reuters

NEW YORK — Canada is seeking an increase of about \$2 billion in its \$3-billion revolving credit facility with U.S. banks, banking sources said Monday.

They said discussions among Canada, its agent, Citibank, and the joint managers of the facility are at a preliminary stage.

But they said it appears that banks that would subscribe to the additional financing would be offered higher rates for the entire facility than exists on the current credit line.

Canadian government officials declined to comment about the increase in the credit line and the Canadian Finance Department denied such a request had been made.

Canadian government sources said recently that Ottawa would move shortly to replenish its foreign exchange reserves and to finance its growing budget deficit, which totals about \$19.6 billion for fiscal 1982-83.

Banking sources said it is for these reasons that Canada is seeking the increase in the facility.

The sources said that in June, Canada's foreign exchange reserves fell \$2.3 billion to well below \$3 billion. That decline prompted the government to tap the Eurobond market for a \$750-million note issue.

Canada has drawn down \$1.5 billion under the \$3 billion credit line, which was signed three years ago and expires in 1988. It is expected the Canada will take the remaining \$1.5 billion when and if the facility is increased.

The facility is considered a standby credit and is not included in official foreign exchange reserves.

Last October, the maturity of the credit line was extended from 1986. Canada was given the option of terms set based on the London interbank offered rate the U.S. prime rate.

The interest rate on the current \$1.5 billion borrowing is 1/4 percentage point over Libor or the prime.

Banking sources suggested that the new terms, which also would be at Canada's option, would be 1/4 point over Libor or 1/4 over prime with a commitment fee of 1/4 percent.

The joint managers of the facility are Bank of America, Irving Trust and Manufacturers Hanover Trust.

In London, lead manager UBAF Bank confirmed Monday that Yugoslavia's Ljubljanska Bank is raising a \$100-million, maximum 18-month revolving credit facility to finance imports of oil.

The facility will have interest set at 1/4 percent over Libor with a commitment fee of 1/4 percent on undrawn funds, it added.

Libyan oil will be included in the exports, according to the Yugoslavian bank's London office.

Markets Closed

Banks and financial markets in Hong Kong and Toronto were closed Monday for holidays.

GENERAL ALLIED OIL & GAS CO.

INCORPORATED UNDER THE LAWS OF THE STATE OF WEST VIRGINIA

750,000 SHARES CDN \$ 3.25

THE SHARES OF THE COMPANY ARE TRADED ON THE VANCOUVER STOCK EXCHANGE

D. J. HALL & COMPANY INC.

BRINK, HUDSON & LEFEVER LTD.

CONTINENTAL, CARLISLE, DOUGLAS

All of these securities having been sold, this announcement appears as a matter of record only.

CURRENCY RATES

Interbank exchange rates for Aug 2, excluding bank service charges.

	U.S.	U.K.	FR.	It.	Sw.	N.	D.	Y.	Sp.
Australia	2.82	4.72	11.04	21.89	21.89	21.89	21.89	21.89	21.89
Belgium	4.37	11.25	19.18	43.81	3.41	17.35	17.35	22.405	5.885
Canada	2.43	4.34	11.04	21.89	21.89	21.89	21.89	21.89	21.89
Denmark	1.725	1.725	1.725	1.725	1.725	1.725	1.725	1.725	1.725
France	1.3638	2.9938	50.134	20.73	20.73	20.73	20.73	20.73	20.73
Germany	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Greece	1.75	11.04	21.89	43.81	3.41	17.35	17.35	22.405	5.885
Italy	2.042	2.042	2.042	2.042	2.042	2.042	2.042	2.042	2.042
Japan	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077	1.077
Netherlands	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043
Sweden	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043
Switzerland	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043
U.K.	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043
U.S.	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043	1.043

(*) Shortfall: 1.362 1/2 U.S. (c) Continued from page 1 (d) Amounts needed to buy one point. (e) Units of 100. (f) Units of 1,000.

The Royal Oak

Anders Pignatelli
The most exclusive watch in the world

Monday's AMEX Closing Prices

Tables include the nationwide prices up to the closing on Wall Street

12 Month High Low				Orig. Price				12 Month High Low				Orig. Price				12 Month High Low				Orig. Price																																																												
Stock	Div.	Yld.	P/E	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030				
1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001</																																	

FRENCH FRANC
\$ per franc: 1 point equals 25 pips

FRENCH FRANC
\$ per franc: 1 point equals 25 pips

[illegible]

kets

[illegible]

International Herald Tribune
 1100 Avenue of the Americas, New York, N.Y. 10020-1097
 Tel: (212) 512-2000, Fax: (212) 512-2001

1

